

THE PENINSULA CHITTAGONG LIMITED

ANNUAL
REPORT
2017-2018



www.peninsulactg.com



The Peninsula Chittagong
(Best Business Hotel in Town)

THE FOUNDER



LATE DR. GOLAM ARSHAD
FOUNDER CHAIRMAN
1927-2011

Dr. Golam Arshad and Salima Begum Founders of The Peninsula Chittagong Limited

Back in the nineties, Dr. Golam Arshad and his wife Salima Begum dreamed of converting their property into something that would give maximum benefit to society. They envisioned a facility that provided employment and assistance for people throughout our country to thrive on.

My mother, being the philanthropist she was, wanted to employ as many people as possible so that they could sustain their families as well as live comfortable lives with their hard earned-pay. My father never spoke much, but when he did, there was volumes of wisdom in his words. It was he who gave us the idea of building a hotel like none other in our hometown of Chittagong.

In August of 2001, my mother passed away in a tragic car accident enroute from Canada to New York, and my heartbroken father decided to leave North America for good and come back home to his beloved country Bangladesh. Not soon after, I followed his footsteps and moved back here with my family. Upon my return, my father disclosed his and my mother's dream of using their property for the good of society, and how he thought that the hospitality business would be the best way to do this. He asked me and my brother-in-law (Engr. Mosharraf) to help him accomplish his dream by appointing us as the main investors for the project. Almost immediately, we began working on his dream hotel.

After 27 long months of hard work and dedication, The Peninsula Chittagong Hotel was officially opened on 17th February 2006. In case any of you were wondering why the unofficial name for this building is Bulbul Center, the reason is that my father had named the establishment in memory of his late wife with whom he had envisioned this dream.

Throughout his career, my father prioritized the needs of his patients above all. It did not matter to him if the patient was wealthy or poor, he administered treatment equally, and more often than not, free of cost to those who could not afford to pay him. He regularly gave away medical samples to those who needed it, and often bought medicine for his less fortunate patients. He lived to the ripe old age of 82 before he passed away due to a relapsing throat cancer. However, he had lived life to the fullest, having experienced a number of amazing adventures throughout his lifetime. He lived through the British regime, where he often hunted and explored the jungle, and assisted the tribal inhabitants of Chittagong Hill tracks. He researched and studied new fields such as microbiology, something which was unheard of at the time. He pursued knowledge until the very end, constantly studying and keeping up with the latest scientific breakthroughs. He had started his medical studies in Kolkata, but had to shift to Chittagong Medical School just before the partition in 1942. He encouraged his children and grandchildren to further their education as much as possible, and inspired them to follow his footsteps and become doctors and engineers as well.

My mother was also well-educated, and loved a good book with a hot cup of tea. Along with handling housework, she always made time to read, embroider and knit, and she loved to socialize. She was always looking out for others, and helped people however she could. She was an excellent cook, and always made delicious meals and savory snacks for the constant stream of guests and well-wishers who came to visit us in our home, which used to be where The Peninsula is currently standing!

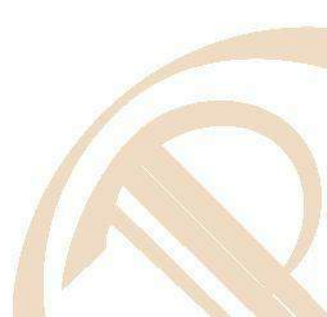
Statement from Managing Director (Son of Founder Chairman)



The Peninsula Chittagong
(Best Business Hotel in Town)

ANNUAL REPORT

2017-2018





MISSION

"Service with **Zero** defects"

VISION

The long range vision of "The Peninsula Chittagong Limited" is to become one of the leading establishments in the regional hotel industry. We aim to develop and operated several categories of hotel, motel and resorts across the country with a seamless quality of service and standard. We provide a comfortable, service-driven, modernized facility to ensure a comfortable stay for visiting tourists and business delegations visiting the country.

Letter of Transmittal

All shareholders of The Peninsula Chittagong Limited
Bangladesh Securities and Exchange Commission
Registrar of Joint Stock Companies & Firms
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited
All other Stakeholders

Annual Report for the year ended June 30, 2018

We are pleased to enclose a copy of the annual Report of The Peninsula Chittagong Limited together with the Audited Financial Statements, Report of the Board of Directors and Auditors Report thereon for the year ended June 30, 2018 for your information and records.

Your sincerely



Mohammad Nurul Azim

Company Secretary

N.B: The Annual Report of 2017-2018 is also available in the website of the company at www.peninsulactg.com



C o o n n e c t



Annual Report 2017-2018

Notice of 16 th Annual General Meeting	06
Corporate Information	07
Company Profile	08
Profile of the Directors	10
Chairman's Letter to the Shareholders	15
Managing Director's Letter to the Shareholders	16
Audit Committee Report	17
Director's Reports to the shareholders of The Peninsula Chittagong Limited for the year 2017-2018	19
Certificate of Corporate Governance Code	25
Auditor's Report to the Shareholders	42
Statement of Financial Position	43
Statement of Profit or Loss and other Comprehensive Income	44
Statement of Changes In Equity	45
Statement of Cash Flows	46
Notes to the Financial Statements	47
Photo Gallery of 15 th AGM	74
Proxy Form and Attendance Slip	75

Notice of The 16th Annual General Meeting

Notice is hereby given that the 16th Annual General Meeting (AGM) of **The Peninsula Chittagong Limited** will be held on **Tuesday, 30 October 2018**, at 10:30 a.m at **Chittagong Club Limited**, SS Khaled Road, Lalkhan Bazar, Chittagong, Bangladesh, to transact of the following business:

Agenda:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2018 together with the report of the directors' and the auditors' thereon.
2. To approve proposed dividend for the year ended June 30, 2018.
3. To election/re-election of Directors.
4. To appoint Auditors for the year ended June 30, 2019 and to fix their remuneration.
5. To appoint Corporate Governance Code Auditors for the year ended June 30, 2019 and to fix their remuneration.

By order of the Board of Directors

Sd/-
(**Mohammad Nurul Azim**)
Company Secretary

Date: 02 October 2018

Notes:

- ❖ Shareholders, whose names appear on the Members/Depository Register on the Record Date i.e. on October 01, 2018, shall be eligible to attend the 16th AGM of the Company and to receive the Dividend.
 - ❖ A member eligible to attend and vote at the Annual General Meeting may appoint a proxy on his/her stead. The "Proxy Form" duly filled and stamped at TK. 20 must be deposited at the Company's Share Office located at Bulbul Centre, 486/B O.R Nizam Road, CDA Avenue, Chittagong-4100 not later than 72 hours before the commencement of the meeting.
 - ❖ The concerned brokerage houses & merchant bankers are requested to provide us with a statement with the details (shareholders name, BO ID number, e-TIN number, gross dividend receivable, applicable tax rate, and net dividend receivable) of their margin loan holders who hold shares of the Company as on the Record Date, along with the name of the contact person in this connection. The brokerage houses & merchant bankers are also requested to provide us with their Bank Account Name, number, routing number etc. on or before October 23,2018.
 - ❖ The concerned trusty board of approved superannuation fund or pension fund or gratuity fund or recognize provided fund or workers participation fund are requested to provide us update tax rebate certificate on or before October 23, 2018.
 - ❖ Only Shareholders or their validly appointed proxies will be allowed to have access to the registration process to attend the meeting.
 - ❖ Admission into the auditorium will be allowed strictly on submission of the attendance slip sent with the Notice.
- In case of non-receipt of annual report of the company sent through postal service, shareholders may collect
- ❖ from the company's share division. The Annual Report for the year ended on 30 June 2018 is available in the investors' information corner of the Company's website at www.peninsulactg.com

বাংলাদেশ সিকিউরিটিজ অ্যান্ড এক্সচেঞ্জ কমিশনের নির্দেশনা অনুযায়ী আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/ধাবার/যাতায়াত ভাতা/কোন ধরনের কুপন প্রদানের ব্যবস্থা থাকবে না।

Corporate Information



Board of Directors

Mr. Mahboob-Ur- Rahman
Mr. Mustafa Tahseen Arshad
Mrs. Ayesha Sultana
Mrs. Bilkis Arshad
Professor Dr. Md. Fashiul Alam
Mr. Kazi Sanaul Hoq
Dr. Sheikh Md. Shafiul Azam



Auditor

Hussain Farhad & Co
Chartered Accountants
Yunusco City Centre (9th Floor)
807, CDA Avenue
Nasirabad, Chittagong



Corporate Governance Code Auditor

Hoda Vasi Chowdhury & Co.
Chartered Accountants
Delwar Bhaban, 4th floor
104 Agrabad C/A,
Chittagong-4100
Tel: +88 031 716305 & 723391
Fax: +88 031 2512485
E-mail: hvc@globalctg.net



Company Secretary

Mr. Mohammad Nurul Azim



Corporate Advisor

Mr. Eradath Ullah, FCA
S. Ahmed & Co.
Chartered Accountants
151 S.K. Mujib Road, Agrabad C/A
Chittagong. Tel: +88-031-721485
Fax: +88-031-2510817
E-mail: s.ahmed_co@yahoo.com



Tax Consultant

Mr. Subhash Dutta, FCMA
Hasnu Hena, Flat # B-4, A-4 17
Larmini street, Wari Dhaka-1203
Bangladesh. Tel: 9576277, 9590594



Bankers

AB Bank Limited
Brac Bank Limited
The City Bank Limited
Eastern Bank Limited
Prime Bank Limited
Standard Chartered Bank Limited
Standard Bank Limited
The Premier Bank Limited
IFIC Bank Limited
Bank Alfalah Limited
Mutual Trust Bank Limited
United Commercial Bank Limited
Dutch-Bangla Bank Limited
National Bank Limited



Registered & Share Office

The Peninsula Chittagong Limited
Bulbul Center, 486/B O.R. Nizam Road
CDA Avenue, Chittagong-4100
Tel: +88-031-2850860-9
Fax: +88-031-632506
E-mail: ipoinfo@peninsulactg.com
Website: www.peninsulactg.com



Dhaka Office

The Peninsula Chittagong Limited
8/A, Chandrashila Suvastu Tower
69/1 Green Road, Panthapath
Dhaka-1205, Tel: 02-9641311-13



Company Profile

The Company has been converted to public Limited Company on November 30, 2010. At present, the authorized capital of the Company stands at Tk. 300 Crore (Three Hundred Crore) and paid-up capital stands at Tk. 118.66 Crore.

The Peninsula Chittagong Limited-WHERE HOSPITALITY IS CULTURE

The Company has been incorporated as a private limited company on July 25, 2002 under the companies Act 1994 vide registration no C-46488 (2961)/2002 in the name of Voyager Bangladesh Limited. Later, it was renamed as The Peninsula Chittagong Limited on June 07, 2010 vide special resolution of the shareholders in the Extra Ordinary General meeting (EGM) and Registrar of Joint Stock Companies & Firms, Dhaka & approved the same accordingly. The company offloaded 55,000,00 shares after getting approved from Bangladesh Securities And Exchange Commission (BSEC) on 19 February 2014 through initial public offering. The company's shares were enlisted in both Dhaka and Chittagong Stock Exchanges on 04 June 2014 & 22 May 2014 respectively in accordance with letter ref. DSE/Listing/ULC/2014/5035 & CSE/Listing/TPCL-2014. The Company started its commercial operation from February 17, 2006.

The Peninsula Chittagong Limited is situated at the bustling center of Chittagong GEC circle. The hotel provides superior services combining western sophistication and Chittagonian hospitality in a scenic and convenient location. Tourists can discover this unique retreat for business or pleasure just minutes from the commercial center surrounded by famous retail shops, restaurants and corporate office.

The registered office & Business Project (4 Star Hotel premises) located at Bulbul Center, 486/B, O.R. Nizam Road, CDA Avenue, Chittagong-4100, Bangladesh and The Dhaka Office of the company is located at 8A, Chandrashila Suvastu Tower, 69/1 Green Road, Panthapath, Dhaka-1205.

The Company has been converted to Public Limited Company on November 30, 2010. At present, the authorized capital of the Company stands at Tk. 300 Crore (Three Hundred Crore) and paid-up capital stands at Tk. 118.66 Crore.

Nature of Business

The Peninsula Chittagong Limited is a service oriented hotel combining business with comfort. The Company offers premier setting for conferences, meetings and corporate events. Our guests are treated in a gracious environment, where personalized service is the standard. For important events, there is a wide range of meeting rooms and venue options to choose from.



Profile of the Directors



MR. MAHBOOB UR RAHMAN (RUHEL)
Chairman

Mr. Mahboob Ur Rahman has been the Chairman of The Peninsula Chittagong Limited since 2014. He has joined the company in 2004 as the Executive Director.

Mr. Mahboob Ur Rahman is an innovative entrepreneur running four leading companies in entertainment, hospitality, construction and information technology sector in Bangladesh. Educated in the United States of America in Information Technology and trained as an Executive MBA from Helsinki School of Economics in Finland. Mr. Rahman is leading changes and creating values with innovative business ideas and technologies in Bangladesh.

Mr. Rahman is the Founder Chairman of Show Motions Limited, the first modern multiplex cinema theater in Bangladesh under the STAR Cineplex brand. Besides cinema exhibition, he has established film production and distribution business within the company. He has also founded BASE Limited, a leading ITES company providing information technology solutions, consulting services in

management and finance and technical training to enterprises and government in Bangladesh. Since 1999, in the capacity of Managing Director, Mr. Rahman has been leading GasMin Limited, one of the largest Gas Pipeline Construction firm in the country completing many large projects in Gas Pipeline, Drill Pad Development and Civil Structures. Mr. Rahman founded Sayeman Holding Limited with a vision to build, operate and own several destination resorts in Bangladesh. He is also the Managing Director of Sayeman Beach Resort Limited the most remarkable beachfront hotel in Cox's Bazar. In 2017, Mr. Rahman co founded SBG Economic Zone Limited to develop, market and operate a land area of 550 Acres of Economic Zone in Mirsarai as the capacity of Managing Director.

Mr. Rahman earned his Bachelor Degree in Interdisciplinary Studies in Information Systems and Computer Science from the University of Texas at Arlington, USA and an Executive M.B.A from Helsinki School of Economics, Finland.



MR. MUSTAFA TAHSEEN ARSHAD
Managing Director/CEO

Mr. Mustafa Tahseen Arshad received a Bachelor of Science in Electronic Engineering Technology from Southeastern Oklahoma State University, USA. He also has specialization in Industrial Technology and Management System under direct Supervision of University of Oklahoma, USA.

Mr. Arshad ran an IT-based company in New York City and had clients like Scientific America, Bedford St. Martin Press, WH Freeman, Worth Publishers and Board man Publishing under his supervision along with famous Hollywood producer Scot Rudin and famous office and designer furniture company Knoll Ltd. His company helps them adapt 21st century technology by providing the latest online and e-commerce solutions to their systems.

Mr. Arshad attended an International Training Course called 'Natural Gas Pipeline Construction and Management' conducted by the Canadian Petroleum Institute (CPI), Canada under Canadian International

Development Agency (CIDA) Development Fund. He attended a special seminar on Waste Management in Industrial Area and Surroundings, Industrial Gas Recovery and Management. This course was organized by the Environmental Protection Agency (EPA), USA, and Occupational Safety and Health Administration (OSHA), USA.

In 2003 he decided to move back to his roots to Bangladesh after spending over two decades in USA. In his pastime, Mr. Arshad enjoys cooking, and has a great appreciation for the food industry. Having great passion for multi-ethnic cuisine, he decided to enter a new dimension by changing careers completely, and has set up this prestigious institution you see today, proving his incredible adaptability into any field. Within a few years, he has become a renown hotelier, both at home and abroad, and has a number of awards in his name.

Always striving for excellence, Mr. Arshad plays a vital role in his current project and spends a good number of hours every week with the F&B team and Executive Chef to design and implement new lines and wide varieties of International menus along cultural fusions for the hotel food outlets. His favorite hobby of cooking different styles of international fusions became very handy in his practical life.

In his leisure he enjoys gardening, cooking, traveling, reading technical books and watch technology and craft TV shows and documentaries.



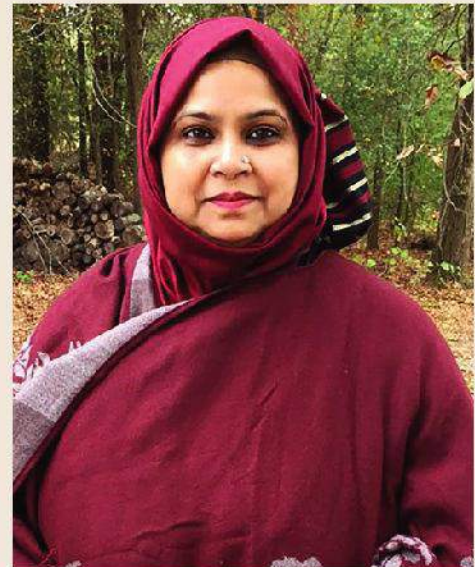
MRS. AYESHA SULTANA
Executive Director

Mrs. Ayesha Sultana is the Executive Director of The Peninsula Chittagong Limited since its inception. Mrs. Sultana completed her Higher Secondary School Certificate (HSC) from Chittagong College in 1966. She is the daughter of Founder-Chairman of The Peninsula Chittagong Limited, Late Dr. Golam Arshad and mother of current Chairman, Mahboob ur Rahman.

Mrs. Ayesha Sultana holds positions and shares in several leading companies in Bangladesh. Mrs. Sultana is the Chairman of GasMin Limited, a leading Construction Company and Director of Sayeman Holdings Limited and The Peninsula Holdings Limited. Mrs. Sultana is a shareholder of Republic Insurance Company Limited. Besides business Mrs. Ayesha Sultana is involved in several social works and philanthropic services in Chittagong. Mrs. Ayesha has been supporting and assisting her husband, Engr. Mosharraf Hossain M.P, Minister of Housing and Public Works throughout his political career for last 50 years. She has raised four children. Her three sons are engaged in family business and several social and cultural activities while her only daughter is a successful medical doctor in the United States of America.

Mrs. Bilkis Arshad, a graduate of Chittagong College, is the Director of The Peninsula Chittagong Limited. She is an Ex- Director of VOYAGER COMPUTER & COMMUNICATION NY, an IT Company based in Long Island, NY from 1993 to 2001. She manages total inventory, ordering required equipment for various jobs, managing shipments, warranties and related issues.

She also acted in place of the Managing Director during his longtime absence from the country in 2008-09. She assists in managing the F&B ideas, as well as all events taking place throughout the year. She worked closely with Executive Chef on rolling out new menus and popular new lines of food to enhance the palette of the regular guests and customers.



MRS. BILKIS ARSHAD
Director



PROFESSOR DR. MD. FASHIUL ALAM

Independent Director

Professor Dr. Md. Fashiul Alam, born in a village of Barabakunda, Sitakunda Upazilla, Chittagong on 5th February, 1952, by profession is a teacher of the University of Chittagong and worked as Vice Chancellor, Feni University, Feni, Bangladesh for the period from 16 April 2013 to 15 April 2017. Some other important academic and administrative posts he held during his professional career are: Chairman, Dean, Provost, Executive Editor and Editor of

Academic Journals, President, Secretary General (Teacher's Association & Federation, Member of Syndicate, Finance Committee, and Planning & Development Committee etc. He is going to complete 43 years of his teaching and administrative experience on 31st December 2018.

Dr. Alam obtained B.Com Hons. and M.Com Degree in Management from the University of Chittagong and stood first in order of merit in both examinations. As an Indian Government Scholar, he earned Ph.D in 1982 on Collective Bargaining from the University of Punjab, Chandigarh. He did Post Doctoral from the University of London (SOAS), UK as a Commonwealth Academic Staff Fellow in 1991-92. He was also a Senior Research Fellow (2007-08) at IoBM, Karachi, Pakistan and Visiting Scholar in 2009 at University of Texas A & M, USA.

Dr. Alam is well known as a reputed scholar, potential academia, creative researcher, efficient administrator, dedicated social worker and a man of high dignity and distinct personality. His fields of specialization cover mainly HRM, HRD, Labour- Management Relations, and Strategic Management. Besides holding a long experience of pursuing research in management, HRM, Industrial Relations and allied fields and conducting project work, he is an author 41 articles published in reputed and recognized national and international journal, and also earned experience of supervising M.Phil and Ph.D scholar both at home and abroad. He also holds the fortune of visiting about two dozen countries, attending and presenting papers in a good number of national and international conference, seminar, workshop etc. held in many countries of Asia, Middle East, Europe, Australia and North America.

Dr Sheikh Mohammed Shafiul Azam was born in a well known Muslim family in a village of Urkirchar, Raozan on 5th September ,1958. He obtained MBBS degree from Chittagong Medical College, C.U. in 1990. After passing MBBS, he joined Chittagong Medical College Hospital (CMCH) and worked there as Medical Officer in different departments. He also passed LLB from Chittagong University in 1983, MSS (Sociology) from Chittagong University in 1984 and M.Sc(Food & Nutrition) in 1992 from Dhaka University. Dr Sheikh Shafiul Azam has passed the Bar Vocational Examination in 1988 and is a member of Bangladesh Bar Council, Chittagong. In 1997, he completed FRSH(Accredited) from Royal Society Hospital London, FCCP(Chest Disease Internal Medicine) from American College of Chest Physician(USA) in 2006, FMD(Family Medicine) from USTC in 2007 and FCGP(Post Graduate Diploma in Medicine) From Bangladesh College of General Practitioners.

He is a Freedom Fighter and from His student life he was involved in Political Activities and hold several posts like Executive Member of Bangladesh Chhatro League(BSL), Central Committee(Jalal-Jahangir Committee),President-Bangladesh Chhatro League, Ctg. North District, President-Bangladesh Chhatro League, Ctg Medical College Branch. He was also the Organising Secretary of Bangladesh Awami League, Ctg



Dr. Sheikh Md. Shafiul Azam

Independent Director

North District for a long period of time and President of Bangladesh Medical Association (BMA), Ctg. Currently he holds many positions including Vice President, Bangladesh Medical Association (BMA), Central Committee, Managing Board Member-Bangladesh Red Crescent Society, Chairman (Acting) Bangladesh Red Crescent Society, Ctg District unit, President-Swadhinata Chikitschok Parishad (SWACHIP), Ctg & Managing Board Member, Chittagong WASA.

During his long career in medical service, he gathered vast knowledge and experience on hospital industry. Dr. Sheikh Mohammed Shafiul Azam has also been associated with different welfare organizations by his active participation and generous donations and is the Director of Ekushey Hospitals PVT Limited & Sheba

Hospital PVT Limited. He travelled many countries of Asia, Europe and America attending several international conferences and seminars on Medical Science and Social Welfare Programmes.

He Achieved many Awards including UNESCO GOLD MEDAL for the Contribution in the field of Medical Science for the year 2010, Gold Medal from Bangabandhu Academy, Dhaka, Life time Achievement Award from SAARC CULTUREAL FORUM and Achievement Letter from Bangabandhu Sk. Mujib Memorial Trust for conducting free Health Camp in different Upazilla of Chittagong in Bangladesh. In short, Dr. Sheikh Mohammed Shafiul Azam is a renowned Doctor, Social Worker & Political leader of Bangladesh.



MR. KAZI SANAUL HOQ
Director (ICB Nominated)

Kazi Sanaul Hoq, has joined as Managing Director of Investment Corporation of Bangladesh (ICB) on 10 August 2017. He started his career as a Senior Officers in ICB on 25 October 1984 and served different position in the same organization. Before his joining he acted as Managing Director at Rajshahi Krishi Unnayan Bank (RAKUB), During his service life he served different Banks and Financial Institutions. He served as Managing Director (Current Charge) and Deputy Managing Director at Agrani Bank Ltd. In addition to that Kazi Sanaul Hoq served as general manager at BDBL and RAKUB. He also served as CEO at ICB Securities Trading Company Ltd. He completed his B. Com (Hon's) and M. Com degree in Accounting from The University of Dhaka.

He has been contributing his professional expertise as the Chairman of ICB Capital Management Ltd. Apart from that he is now serving as the Director of British American Tobacco Bangladesh Co. Ltd. (BATBC), Linde Bangladesh Limited, Glaxo Smith Kline Bangladesh Ltd. (GSK), Renata Limited, Bangladesh Krishi Goveshona Endowment Trust (BKGET), Credit Rating Agency of Bangladesh Ltd. (CRAB), Credit Rating Information and Service Ltd. (CRISL), Standard Bank Limited, National Tea Company Limited, Apex Tannery Limited, Central Depository Bangladesh Ltd. (CDBL) and some other Directorship.

Chairman's Letter to the Shareholders

Dear Shareholders,

Assalamu Aalykum

I am happy to inform you that The Peninsula Chittagong's development of new Airport Garden Hotel at Patenga is progressing very well with over 40% of the work already completed. This development is progressing hand in hand with all the other development around this great port city. This new property will be catering to the growing need for business, tourist and aviation accommodation and leisure activities in the city in near future.

The Peninsula Chittagong has also undertaken a major renovation project in its existing city business hotel. This remodeling and renovation work will rejuvenate and add some major outlets to the existing hotel. We expect our revenue to increase by 20% once the renovation is completed. I would like to thank you for investing with us so that we can sustain a strong long term growth and contribute to the economy as a whole.

As the economy is growing slowly around Chittagong city we are facing increased competition in the market. However, The Peninsula Chittagong has sustained a positive financial result despite the existing competition and slow growth. I would like to thank our valued and loyal customers, hard working employees, board of directors for their contributions to keep us moving forward.

In 2018, our company has reported BDT. 264.29 Million Sales compared to BDT. 268.79 Million of previous year. The revenue has mainly decreased due to competitive pricing of our room rate, which is significantly lower than last year. As our direct and non-direct expenses remained the same the profit margin for the year came to 28.06% which is BDT. 74.15 Million.

2018 retained earnings of the company stood at BDT. 189,664,474 against BDT.174,844,703 in 2017. The Board of Directors of the company recommended dividend at five percent in cash for the year 2018.

Dividend for previous year was five percent cash as well.

We believe in long term growth strategy as such we need to adjust our pricing to cope with the market condition so that we can sustain in the short term with a vision to grow stronger in the long term. As The Peninsula Chittagong Limited continues to provide good brand value through excellent reputation and service, I strongly believe that we will continue to differentiate our services and product to our customers. At the same time the new airport hotel under construction will be a game changer where we hope to gain larger market share through unique design, space and location of the property. The new airport hotel will cater to international air crew, business travelers, tourists as well as locals. The ambiance, architecture and amenities will be unparalleled to any other facilities in Chittagong.

We have upheld our commitment to our shareholders, customers, employees and to the community for more than a decade with ethical and legal business practices, human rights and sustainable growth. Keeping hospitality as the core value and culture we plan to provide excellent service to our customer and make positive changes to the environment and communities around us. With that in mind every day we strive to give better and improved services to our guests visiting us from all over the world.

On behalf of the Board of Directors



Mahboob ur Rahman
Chairman

Managing Director's Letter to the Shareholders

Respected Shareholders, Ladies and Gentlemen

Assalamu Aalykum.

It is a great pleasure for me to facilitate, on behalf of the Board of Directors, the Annual Report 2017-18, containing the Directors' Report and Financial Statements as required under the Companies Act 1994 and Regulations of Bangladesh Securities and Exchange Commission, for your consideration and approval thereof at this 16th Annual General Meeting of The Peninsula Chittagong Limited.

We are happy to declare that the Financial Year 2017-18 was yet another outstanding year for The Peninsula Chittagong Ltd. despite all the political turmoil. The incident of the Holy Artisan Bakery in Dhaka shook the industry badly and many other hospitality businesses were shut down for good. We were fortunate to remain active despite having low occupancy at the time. We do not believe in the concept of customers in the hospitality business: for us, everyone is a guest. Our managers and employees are constantly dealing with our guests to ensure the best services are provided such that guests feel maximum comfort during their stay. Staying true to our motto, "Where Hospitality is Our Culture". We have gained the loyalty of our guests, such that they come back time and time again. Over the years, The Peninsula has grown tremendously, fine tuning their departments through leadership training such that each and every employee has the skills to provide the best services possible. Many guests have said that this hotel is like their second home, where they can relax after a long day of work. This is a huge achievement for us, and we have many regulars who come back for our excellent service and delicious cuisine. There is variety to choose from, ranging from Bengali to International delicacies; which the guests appreciate immensely. This combination of food and comfort kept us going these past 15 years.

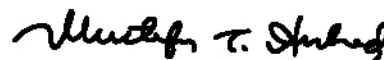
Recent China-Bangladesh infrastructure and business development will be a major keystone for Bangladesh. The amount of investment that is already signed and promised by China is the first of its kind for Bangladesh. These investments will escalate the growth of the country into high gear. We need to go forward to meet the demands of the development process be ready to meet this challenge.

You will be pleased to know that our next project is already in the pipeline and we are looking for ways to complete the project earlier than we have planned. We have already selected the land for the Airport Garden and have already begun construction. We are also planning to open another airport hotel in Dhaka International Airport and followed by one in Khulna in the near future.

Mirsarai Economic Zone is another large under-going project, initially starting with 1600 Acres of land and plans to expand to 70,000 Acres or more in the future. The four-lane express-ways from Chittagong to Mirsarai EZ (Economic Zone) will connect these two zones in less 45 min. after the completion of Karnaphuli Tunnel project Korean EPZ and Anwara Economic Zone will be lot closer to The Peninsula Chittagong-Airport Garden Hotel. Hotel will take advantage of the guests who will be working in both Chittagong, EPZ, Anwara EZ and Mirsarai EZ. These guests will stay in the city and drive directly to Mirsarai through the express-way to reach the zones. The Karnafuli Tunnel will also bring the Korean EPZ and the new China EPZ closure to the hotel. To meet the 50 Billion dollar ready-made garment exporting target by 2020, the current Chittagong port will be inadequate and it will be difficult to expand this port any further. Chittagong is introducing new deep-sea ports which will be starting from Kattuli to Sitakundu, a 9.5 km long route which will soon be the largest sea port in Bangladesh. This port will also have the largest container yard facilities built along the length of the port for easier access of all the shipments and cargoes from all the EPZ in the region as well as the whole country, greatly reducing handling time and shipment charges. China-Bangladesh recently signed for infrastructure development MOU and have already confirmed the Karnafuli Tunnel and Express-way projects. Chittagong Port expansion will be under China and Bangladesh joint funding. Recently, ECNEC have pass the budget for construction of the city to Airport fly over and international tender has been floated and currently under the process.

Biman, our national airline, are planning to introduce lights from Chittagong-Muscat, Chittagong-Jeddah and Chittagong-Doha by the end of this year or early next year, Similar direct flights will be added for more destinations in the future. As more fleet will be joining to Bangladesh Biman by September of 2019, Biman planned to keep two of Boeing 777-300ER aircraft permanently stationed in Chittagong to cover Chittagong to Middle-east flights as well as future East bond flights. Two budget airlines are already flying to Chittagong and more will be added, for instance, Emirates, Qatar and Saudi Arabian have already done their ground work to fly directly to Chittagong. All these activities will further add to the already healthy recurring revenue streams that Peninsula Chittagong Limited enjoying today and in future as well.

Our Turnover Tk. 26.43 Crore, Gross Profit Tk. 7.52 Crore, Profit from Operation Tk. 2.00 Crore Net Profit before Tax Tk. 9.96 Crore, Net Profit after Tax Tk. 7.42 Crore, EFS 0.62 due to effective Cost Control measures and good governance of Management and HOD's.



Mustafa Tahseen Arshad
Managing Director/CEO

Audit Committee Report

The Board of Directors of 'The Peninsula Chittagong Limited' has constituted an Audit Committee as per Bangladesh Securities and Exchange Commission's (BSEC) guidelines which is appended at the Compliance Report enclosed with the Directors' Report. The Committee consists of Professor Dr. Md. Fashiul Alam, Mr. Mahboob-Ur-Rahman, Mrs. Ayesha Sultana, and Mr. Mohammad Nurul Azim. Mr. Professor Dr. Md. Fashiul Alam is an Independent Director and also the Chairman of the Committee. Mr. Mohammad Nurul Azim, Company Secretary, is also the Secretary of the Audit Committee. The Audit Committee is appointed by the main Board. All members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as members of the Audit Committee.

Purpose of Audit Committee

The role of the Audit Committee is to scrutinize and monitor the authenticity of the financial statements of the Company and review and, where appropriate, make recommendations to the main Board as per Terms of Reference given by the Board. The Audit Committee review on business risks, internal controls and compliances.

The Committee satisfies itself, by means of suitable steps and appropriate information, that proper and satisfactory internal control systems are in place to identify and contain business risks and that the company's business is conducted in a proper and economically sound manner. The key responsibilities of the Audit Committee include:

- Monitor the integrity of the financial reporting process ensuring compliance to accounting policies, Standard Operating Procedure (SOP) and principles defined by the Company.
- Exercise its oversight of Internal Audit. Review the effectiveness of Internal Audit function including performance, structure, adequacy of resources, and compliance with professional standards. Examine audit findings and material weaknesses and monitor implementation of Audit action plans.
- Oversee hiring and performance of external auditors.
- Other matters as per Terms of Reference of the Audit Committee.

Authority

The Audit Committee is authorized by the Board to review any activity within the business as per its Terms of Reference. It is authorized to seek any information it requires from, and require the attendance at any of its meetings of, any Director or member of management, and all employees are expected to co-operate with any request made by the Committee.

The Committee is also authorized to refer any matter to the Board.

Meeting Attendance

The Audit Committee met four times during the year 2018. The details of attendance of each member at the Audit Committee meetings during 2017-2018 are as follows:

Composition No. of Meeting of Audit Committee	Attended
Professor Dr. Md. Fashiul Alam (Independent director), Chairman	4/4
Mr. Mahboob-Ur-Rahman, Member	4/4
Mrs. Ayesha Sultana, Member	3/4
Mr. Mohammad Nurul Azim Member Secretary	4/4

The Audit Committee Meeting is attended by Chief Financial Officer, Head of Internal Audit as permanent invitees and all the above Members of the Audit Committee appointed by the Board. From time to time, the Managing Director also joins the Meeting.

Summary of Activities 2018

In 2018, the Audit Committee reviewed its Terms of Reference in line with requirements of BSEC notification on Corporate Governance. The Committee carried out its duties in accordance with the Terms of Reference of the Audit Committee.

1. Internal Control and Business Risk management

The Board has established a process designed to provide reasonable assurance by the Management regarding the achievement of objectives relating to effectiveness and efficiency of operations, reliability of the information and reporting, compliance with applicable laws, regulation and policy, procedures and safeguarding company assets. The internal control system of the company has been working through five components.

To further strengthen the controls, the company has introduced and consistently complying the following international standards and guidelines -

- ❑ Laws and regulations relating to business and internal policies / guidelines have been complied with.
- ❑ Financial Statements for the year ended 30 June 2018 contained full disclosures and these are prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh financial Reporting Standards (BFRS) as adopted by the Institute of Chartered Accountants of Bangladesh.
- ❑ Appropriate Management Information Systems (MIS) are in place and in effect.
- ❑ Existing risk management procedures are effective to capture and mitigate risk.
- ❑ Adequate internal control systems are put in place to detect, correct and prevent fraud and errors on timely manner.
- ❑ The Committee considered the recommendations made by the statutory and internal auditors of the Company in their respective reports.

Business Risk Management is an ongoing process in The Peninsula Chittagong Limited where strategic business units identify the risk, recognize risk factors, review and evaluate risks to the achievement of business objectives.

The Managing Director has to satisfy the Board adequacy on assigned Business Risk Management and Internal Control Process. Internal Audit is dedicated in a pivotal role into Risk Management Process. As such, Risk Management and Internal Audit department conducts yearly review focusing on to the risk indicators, where a detailed risk map is prepared.

Audit Committee and Managing Director review this risk map periodically.

2. Internal Audit

Audit activities play an essential and useful role in the conduct of successful operations. These activities serve to examine and evaluate financial, administrative and operational activities of the company, supplying management personnel at all levels with information to assist in their control of the assets and operations and their attainment of objectives for which they are responsible.

The internal audit activity is established to provide independent, objective assurance and consulting services designed to add value and improve the company's operation. It helps the SBU's achieving its objective by bringing a systematic, disciplined approach to evaluate risk management, control and governance process. It performs ongoing evaluations of internal

controls, advises the audit committee, management and the statutory auditors of the result of their evaluations and makes recommendation to improve risk management, control and governance process. A comprehensive internal audit plan is prepared on yearly basis and Internal Audit activity is always conducted with the highest standards of business ethics, integrity and honest dealings in all areas and functions within the company and with all outside stakeholders. Internal Audit mainly concentrates on risk-based audit approach, and that allows Internal Audit to provide assurance to the Board that risk management processes are managing risk effectively, in relation to the risk appetite.

Statutory Auditor

The Committee has satisfied itself through enquiry that the statutory auditor of the Company is independent as defined by the related Act. As per Section 210 of the Companies Act 1994, the Audit Committee of the Board recommended to appoint M/S Hussain Farhad & Co. Chartered Accountants as the auditors of the Company for the year 2018-2019 which will be placed before the shareholders at this AGM for approval. Remuneration of the auditor will also be fixed by the shareholders at this AGM.

Financial Management

The financial management/activities of the Company are running under the supervision head of finance & Accounts of the Company. The Audit Committee has satisfied itself that the Appropriate expertise and knowledge to fulfill his role efficiently.

Annual Financial Statements

The Committee has tabled the financial statements for approval by the Board. The Board has subsequently approved the financial statements which will be opened for discussion at the Forthcoming annual general meeting.

Appreciation

The Audit Committee expressed their sincere thanks to the members of the Board, Management and the statutory auditors for their support in carrying out its duties and responsibilities effectively.



Professor Dr. Md. Fashiul Alam

Chairman of The Audit Committee

Directors' Reports

TO THE SHAREHOLDERS OF THE PENINSULA CHITTAGONG LIMITED
FOR THE YEAR ENDED JUNE 30, 2018

Welcoming Shareholders,

Assalamu Alaikum.

The Directors have pleasure in presenting the 16th Annual General Meeting of our company together with its Audited financial statement for the financial year ended June 30, 2018.

It is a great pleasure and privilege on the part of the Board of Directors of The Peninsula Chittagong Limited to welcome you all to this august occasion of the 16th Annual General Meeting of the Company and to place before you the Annual Report together with the Audited Financial Statements and the Auditors' Report thereon for the year ended 30 June 2018.

Industry Out look

Peninsula commenced operation on 17 February, 2006 and is the only four- star luxury business Hotel in Chittagong, Bangladesh. It is located in the heart of prestigious GEC circle of the port city. The Peninsula Chittagong provides the highest benchmark for the Hotels of Chittagong & Bangladesh, combining western sophistication and Chittagonian hospitality in a scenic but convenient location. The goal of TPCL is to provide clean, comfortable, and affordable international standard accommodation with moderate price accompanied by competitive and high standard food for the visitors are coming to Chittagong, hence, improving the economy of the country. Beyond the economical improvement, the positive effects of the project will be enjoyed through other sectors of the national life - social, commercial and political. New range of accommodations will increase the tourist inflow to the country bringing more foreign currency.

Segment-wise or Product wise performance

Particulars	Taka (2017-2018)	Taka (2016-2017)
Rooms	108,012,456	112,414,646
Food & Beverages	136,052,775	123,967,129
Minor Operating Departments	18,425,664	22,786,716
Space Rental	1,794,350	9,620,618
Total	264,285,245	268,789,109

Risks and concerns

The detail of risks and concerns of the Company is discussed in Managing Risks in this annual report.

The company has established an effective compliance mechanism to mitigate the risk and will be reviewed by the Board. The company has identified various risks and also has mitigation plans for each risk identified and reviewed. Risk management at TPCL is concerned with earning competitive returns from the company's various business activities at acceptable risk level. It support company's competitiveness by developing a culture, practice and structure that systematically recognizes and addresses future opportunities whilst managing adverse effects (i.e. threats) through recognizing risk and acting appropriately upon it. The Company has well defined risk management manual and processes to mitigate strategic and enterprise level risks.

Business risks refer to the impact that the country's industrial policy can have on the performance of a specific industry. Increased competition from foreign and domestic sources can lead to lower prices, revenues, profit margins, market share etc. which can adversely affect the business.

Discussion on Cost of Sales, Gross Profit Margin and Net Profit Margin

Particulars	Taka (2017-2018)	Taka (2016-2017)
Revenue	264,285,245	268,789,109
Cost of Sales	(189,133,140)	(172,253,226)
Gross Profit/ (Loss)	75,152,105	65,883,775
Operating Profit	20,007,286	13,841,291
Net Profit after Tax	74,153,171	62,325,637
Gross Profit ratio	28.44%	24.51%
Net Operating Profit ratio	7.57%	5.15%
Net Profit ratio	28.06%	23.19%

Continuity of Extra-Ordinary Gain or Loss:

During the year, the company earned Tk. 92,608,852/- as interest income by depositing into bank.

Basis for related party transactions

The detail list of the related parties with whom transactions have been taken place and their relationship as identified and certified by management is disclosed in related party disclosures under BAS-24 this annual report.

Statement of Utilization of Proceed

The Peninsula Chittagong Limited issue 55,000,000 number of shares by IPO in the year 2014. Hence, total 55,000,000 numbers of ordinary shares of Taka 10 each at a offer price taka 30/- including premium of Tk.20/- per share was increased in the paid up capital due to IPO. Total IPO proceeds of Taka

1,650,000,000. Balance IPO proceeds amounting to Taka 1,000,749,780 remain unutilized as on 30 June 2018.

Significant variance between Quarterly Report and Audited Financial Statement

That, the Company prepared and submitted quarterly report as per applicable rules and regulations and there were no significant differences between quarterly report and annual audited financial statements.

Director Remuneration

During the year under review, Total remuneration of Director Taka 6,720,000/- Managing Director, Chairman and Executive director are entitle for the remuneration. The company has not paid remuneration to them in excess of the limit from previous year. The Director of The Company were paid taka 2500/- per meeting as fee for attending board meetings during the year. Details of Director Remuneration paid during the period are as follows:

Name	Designation	Remuneration	Board Meeting	Gross Remuneration
Mr. Mahboob Ur Rahman	Chairman	24,00,000	22,500	2422500
Mr. Mustafa Tahseen Arshad	Managing Director	40,20,000	15,000	4035000
Mrs. Ayesha Sultana	Director	300,000	12,500	312500
Mrs. Bilkis Arshad	Director	-	7,500	7,500
Dr. Md. Fashiul Alam	Independent Director	-	22,500	22,500
Dr. Sheikh Md. Shafiul Azam	Independent Director	-	10,000	10,000
Mr. Kazi Sanaul Hoq	Nominated Director	-	5,000	5,000
Total		67,20,000	95,000	68,15,000

Financial reporting standards/ Directors Declaration as to Statutory Information

In connection with preparation and presentation of the financial statements, the Directors also report that:

- The financial statements prepared by the management of Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

- b. Proper books of accounts of the Company have been maintained.
- c. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d. International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts of the Company's ability to continue as a going concern.
- g. The significant Deviations from the last year's operating results of the Company have been highlighted in the report and reasons thereof have been explained.

A statement that minority shareholders have been protected from abusive actions By, or in the interest of, controlling shareholders acting either directly or indirectly And have effective

means of redress:

As a Public Limited Company, it does have to comply with the Corporate Governance Code guided by Bangladesh Securities and Exchange Commission. In this respect, our aim to meet best practice and the highest standards of Corporate Governance; the board is committed to complying with this Code and applicable provisions of the laws.

We are fully committed to the fair and equal treatment to all kind of shareholders we deal with it is because we see diversity as an asset that helps deliver our vision of a service that meets the needs of all our customers and stakeholders. Throughout our visionary and missionary process, we make every effort to ensure that minority shareholders are fairly treated focusing their influence and interest for the company. We are always active to create a culture so that the minority shareholders shall have the right to propose items in the agenda of the General Meeting, provided that the items in the agenda are for genuine business purposes. The minority shareholders have access to any and all information relating to matters for which the management is accountable for and should disclose to the shareholders. All these activities are taken for ensuring the lawful interest of minority shareholders along with ensuring their compensation as per the requirement.

Key Operating and Financial data of preceding Five years

Particulars	Taka (2017-2018)	Taka (2016-2017)	Taka (2015-2016)	Taka (2014-2015)	Taka (2013-2014)
Authorized Capital	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Paid Up Capital	1,186,668,000	1,186,668,000	1,186,668,000	1,130,160,000	1,130,160,000
Total Shareholders' Equity	3,655,704,600	3,640,884,829	3,697,225,992	3,711,981,384	3,687,869,144
Net Asset Value Per Share	30.81	30.68	31.16	32.84	54.75
Earnings per Share	0.62	0.53	0.83	1.27	2.70
Operating Cash Flow Per Share	0.85	0.74	0.56	0.17	3.00

Particulars	Taka (2017-2018)	Taka (2016-2017)	Taka (2015-2016)	Taka (2014-2015)	Taka (2013-2014)
Revenue	264,285,245	268,789,109	300,264,617	343,075,646	420,149,834
Vat Expense	-	(30,652,108)	-	-	-
Cost of Sales	(188,133,140)	(172,253,226)	(175,215,269)	(178,565,653)	(160,046,457)
Gross Profit/ (Loss)	75,152,105	65,883,775	125,049,348	164,509,993	260,103,377
Administrative Expenses	(54,204,699)	(50,912,458)	(53,970,449)	(53,446,327)	(39,927,874)
Selling & Distribution Expenses	(940,120)	(1,130,026)	(1,495,216)	(5,307,151)	(4,949,224)
Operating Profit	20,007,286	13,841,291	69,583,683	105,756,515	215,226,280
Financial Expenses	(7,028,997)	(16,661,887)	(20,877,291)	(19,269,900)	(23,795,089)
Other Income	93,641,248	92,514,147	112,567,587	132,120,137	56,936,488
Non-Operating Income/(loss)	(1,780,082)	1,729,404	(1,058,313)	218,606,752	248,367,679

Workers Profit Participation Fund (WPPF)	(5,241,973)	(4,571,148)	(8,090,308)	(10,930,338)	(12,418,384)
Net Profit before Tax	99,597,482	86,851,807	152,125,358	207,676,414	235,949,295
Provision for Tax	(25,444,311)	(24,526,170)	(53,864,750)	(63,638,667)	(53,817,411)
Net Profit after Tax	74,153,171	62,325,637	98,260,608	144,037,747	182,131,884

Financial results and appropriations

The Directors are pleased to report the financial

results for the year 2017-2018 and recommend the following appropriations:

Particulars	Taka (2017-2018)	Taka (2016-2017)
Net Profit before Tax	99,597,482	86,851,807
Net Profit after Tax	74,153,171	62,325,637
Add: Un-appropriated profit brought forward	174,844,703	231,185,866
Profit available for distribution	248,997,874	293,511,503
Less: Appropriation of Dividend	59,333,400	118,666,800
Un-appropriated profit	189,664,474	174,844,703
Earnings per Share	0.62	0.53
Operating Cash Flow Per Share	0.85	0.74

Dividend

The Board of Directors of the Company is pleased to recommend dividend @5 percent in cash for the year 2016-2017. The Company paid dividend @ 5 percent in cash for the year 2017-2018 also. History of dividend payment for the last Five years is as follows:

Years	Dividend Payout (%)
22013-2014	10% Cash
2014-2015	10% Cash and 5% Stock
2015-2016	10% Cash
2016-2017	5% Cash
2017-2018	5% (Proposed)

Attendance status of Directors in Board Meetings

During the year ended 30 June 2018, nine (09) board meetings were held. The attendance status of all the meetings are as follows:

Name of the Director	Position	Meetings Held	Attendance
Mr. Mahboob Ur Rahman	Chairman	09	09
Mr. Mustafa Tahseen Arshad	Managing Director	09	06
Mrs. Ayesha Sultana	Director	09	05
Mrs. Bilkis Arshad	Director	09	03
Dr. Md. Fashiul Alam	Independent Director	09	09
Dr. Sheikh Md. Shafiul Azam	Independent Director	09	04
Mr. Kazi Sanaul Hoq	Nominated Director	09	02

i) Pattern of Shareholding

Name of Shareholder	Designation	2017-2018		2016-2017	
		No. of Share	%	No. of Share	%
Mr. Mustafa Tahseen Arshad	Managing Director	14,620,032	12.32	14,620,032	12.32
Mr. Mahboob- Ur- Rahman	Chairman	3,045,840	2.57	3,045,840	2.57
Mrs. Ayesha Sultana	Director	5,573,344	4.70	5,173,344	4.36

Mrs. Bilkis Arshad	Director	9,137,520	7.70	9,137,520	7.70
Engineer Mosharraf Hossain	Sponsor	7,860,016	6.62	7,610,016	6.41
Mr. Aminur Rahman	Sponsor	3,045,840	2.57	3,045,840	2.57
Mrs. Mirka Rahman	Sponsor	3,045,840	2.57	3,045,840	2.57
ICB(Mr. Kazi Sanaul Hoq)	Director (ICB Nominated)	7,758,686	6.54	7,758,686	6.54
Professor Dr. Md. Fashiul Alam	Independent Director	Nil	Nil	Nil	Nil
Dr. Sheikh Mohammed Shafiul Azam	Independent Director	Nil	Nil	Nil	Nil

ii) Shareholding Ten Percent (10%) or more voting interest

Name of Shareholders who hold 10% or more shares is Mr. Mustafa Tahseen Arshad; Managing Director of the company holds number of shares 14,620,032 and percentage of share is 12.32%.

iii) Shares held by Director ,Chief Executive Officer, Company Secretary ,Head of Internal Audit and Their Spouse:

Name of Shareholder	Designation	2017-2018		2016-2017	
		No. of Share	%	No. of Share	%
Mr. Mustafa Tahseen Arshad	Managing Director	14,620,032	12.32	14,620,032	12.32
Mr. Mahboob- Ur- Rahman	Chairman	3,045,840	2.57	3,045,840	2.57
Mrs. Ayesha Sultana	Director	5,573,344	4.70	5,173,344	4.36
Mrs. Bilkis Arshad	Director	9,137,520	7.70	9,137,520	7.70
ICB (Mr. Kazi Sanaul Hoq)	Director (ICB Nominated)	7,758,686	6.54	7,758,686	6.54
Professor Dr. Md. Fashiul Alam	Independent Director	Nil	Nil	Nil	Nil
Dr. Sheikh Mohammed Shafiul Azam	Independent Director	Nil	Nil	Nil	Nil
Mohammad Nurul Azim Company	Company Secretary	Nil	Nil	Nil	Nil
Mr. S M Monir Uddin	CFO	Nil	Nil	Nil	Nil
Mohammad Nurul Haider Head of	Head of Internal Audit	Nil	Nil	Nil	Nil

Appointment/ Re-appointment of Director

As per the Company's Articles of Association in the BoD of the meeting decided about the retired & re-appointed of Mr. Mustafa Tahseen Arshad, and Mrs. Ayesha sultana from the post of Managing Director and Director respectively as per Article & Association will retire by rotation from the directors and being eligible for re-elected unanimously at 16th AGM. Their brief resume and other information are appended in the Director Profile of the report.

Share Capital

Authorized capital and paid up capital of the Company stood at Tk.300.00 crore and Tk. 118.66 crore respectively in 2018.

Fixed assets additions

During the year 2017-2018 total additions to the fixed assets was Taka 2,352,163,174 and additional Taka 9,457,137.

Reserve and surplus

Retained earnings of the Company in 2017-2018 stood at Taka 189,664,474 against Taka 174,844,703 in 2016-2017. Revaluation Surplus Taka 1,228,413,842.

Statutory Auditors

M/S. Hussain Farhad & Co., Chartered Accountants shall retire in 16th AGM, being eligible, they offered themselves for re-appointment and the Board also recommended re-appointing them for the year ended 30 June 2019. Remuneration of the auditor will be fixed by the shareholders at this Annual General Meeting.

Internal control

The Board has the ultimate responsibility of establishing effective systems of internal control. To ensure the internal control regarding risk management, financial control and compliance legislation, the Company follows the principle of decentralization. It has been designed to manage the risk of failure to achieve the objectives of the Company. The Company has established internal audit department and appointed Head of internal Audit to ensure internal control and compliances in place.

The scope of Internal Control over Financial Reporting (ICFR) includes Company Level Control (CLC-Policies & Manuals) along with General Computer Control (GCC) and Transactional Controls to ascertain operational efficacy, consistent and dependable financial reporting, information security and legal compliance. This reasonable assurance has become even more crucial after being a listed company in the country's Stock Exchanges.

Post balance sheet events

There is no material events occurred after the balance sheet/reporting date, non disclosure of which could affect the ability of the users of these financial statements to make an appropriate evaluation.

Appreciation

The Directors express their deep sense of appreciation for the contribution made by the employee to the significant improvement in the operation of the company. The Board also tanks all the stakeholders including Members, customers, lenders, vendors, investors, governments of Bangladesh for their continued co-operation and support.

The Board would like to take this opportunity to thank the Government bodies, its shareholders, investors, bankers and employees for their continuous commitment, cooperation, confidence and support in achieving the Company's objectives.



Mahboob-Ur-Rahman

Chairman



Corporate Governance Code



The Peninsula Chittagong Limited

Annexure-A [As per condition No. 1(5) (xxvi)]

The Peninsula Chittagong Ltd
Declaration by CEO and CFO

Date: 06 September 2018
The Board of Directors
The Peninsula Chittagong Ltd

Subject: Declaration on Financial Statements for the year ended on 30 June 2018.

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/8 Dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of The Peninsula Chittagong Limited for the year ended on 30 June 2018 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a Prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a System of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related

To events or conditions that may cast significant doubt on the Company's ability to Continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 30 June 2018 and to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any Material fact or contain statements that might be misleading;
 - (b) these statements collectively present true and fair view of the Company's Affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,


Mustafa Tahseen Arshad
Chief Executive Officer (CEO)


S M Monir Uddin
Chief Financial Officer (CFO)

Hoda Vasi Chowdhury & Co

Chartered Accountants

Annexure-B

Certificate as per condition No. 1(5) (xxvii) **Report to the Shareholders of The Peninsula Chittagong Limited** **On compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by The Peninsula Chittagong Limited for the year ended on 30 June 2018. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards S(BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission, subject to the remarks and observation as reported in the attached compliance status.
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this code.
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Chattogram, 24 September 2018


Showkat Hossain, FCA

Annexure-C

[As per condition No. 1(5) (xxvii)]

Status of compliance with the conditions imposed by the Commission's Notification No.

BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 (Report Under Condition No. 9):

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
1	2	3	4	5
1	Board of Directors:			
1.1	Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓		
1.2	Independent Directors: All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:			
1.2 (a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		There are 2 (Two) Independent Directors in the TPCL Board.
1.2 (b)	For the purpose of this clause "independent director" means a director -			
1.2 (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1.2 (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members;	✓		The Independent Directors have declared their compliances.
1.2 (b) (iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓		
1.2 (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓		Do
1.2 (b) (v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓		Do
1.2 (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓		Do
1.2 (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code.	✓		Do

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
1.2 (b) (viii)	who is not independent director in more than 5 (five) listed companies	✓		Do
1.2 (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI)	✓		Do
1.2 (b) (x)	who has not been convicted for a criminal offence involving moral turpitude	✓		Do
1.2 (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2 (d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days	✓		
1.2 (e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only	✓		
1.3	Qualification of Independent Director (ID)			
1.3 (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business	✓		The qualifications and background of ID justify their abilities as such.
1.3 (b)	Independent director shall have following qualifications:			
1.3 (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			Not Applicable.
1.3 (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or			Not Applicable.
1.3 (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	✓		The qualifications and background of ID justify his (Dr. Sheikh Mohammed Shafiqul Azam) abilities as such.
1.3 (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓		The qualifications and background of ID justify his (Dr. Md. Fashiqul Alam) abilities as such.
1.3 (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification			Not Applicable.
1.3 (c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b)	✓		
1.3 (d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	✓		No such matter arised during the year.

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓		
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		No such matter arised during the year.
1.5	"The Directors' Report to Shareholders: The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):-"			
1.5 (i)	An industry outlook and possible future developments in the industry;	✓		The Directors' report represent compliance of this guideline.
1.5 (ii)	The segment-wise or product-wise performance	✓		Do
1.5 (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓		Do
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable	✓		Do
1.5 (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓		Do
1.5 (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓		Do
1.5 (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments	✓		Do
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	✓		No such matter arised during the year.
1.5 (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓		No such matter arised during the year.
1.5 (x)	A statement of remuneration paid to the directors including independent directors;	✓		
1.5 (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓		

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
1.5 (xii)	A statement that proper books of account of the issuer company have been maintained;	✓		
1.5 (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	✓		
1.5 (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓		
1.5 (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	✓		
1.5 (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓		
1.5 (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓		
1.5 (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained.	✓		
1.5 (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓		
1.5 (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓		Dividend has been declared.
1.5 (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓		No such matter arised during the year.
1.5 (xxii)	The total number of Board meetings held during the year and attendance by each director;	✓		
1.5 (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1.5 (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓		
1.5 (xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓		
1.5 (xxiii) (c)	Executives; and	✓		
1.5 (xxiii) (d)	"Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); Explanation: For the purpose of this clause, the expression "executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit and Compliance."	✓		
1.5 (xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1.5 (xxiv) (a)	a brief resume of the director;	✓		
1.5 (xxiv) (b)	nature of his or her expertise in specific functional areas; and	✓		

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
1.5 (xxiv) (c)	names of companies in which the person also holds the directorship and the membership of committees of the Board;	✓		
1.5 (xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	✓		
1.5 (xxv) (a)	accounting policies and estimation for preparation of financial statements;	✓		
1.5 (xxv) (b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓		
1.5 (xxv) (c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓		
1.5 (xxv) (d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓		
1.5 (xxv) (e)	briefly explain the financial and economic scenario of the country and the globe;	✓		
1.5 (xxv) (f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓		
1.5 (xxv) (g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓		
1.5 (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓		
1.5 (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓		
1.6	Meetings of the Board of Directors			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓		Please refer to clause 6.1(a).
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓		Do

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
2	Governance of Board of Directors of Subsidiary Company.-			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	✓		TPCL does not have any subsidiary company.
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	✓		Do
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	✓		Do
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	✓		Do
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		Do
3	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)-			
3.1	Appointment			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓		
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓		
3.2	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	✓		
	Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3.3 (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	✓		
3.3 (a) (i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓		
3.3 (a) (ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓		

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
3.3 (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓		
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓		
4	"Board of Directors' Committee.- or ensuring good governance in the company, the Board shall have at least following sub-committees: "			
4 (i)	Audit Committee; and	✓		
4 (ii)	Nomination and Remuneration Committee.	✓		NRC was formed on 6 September 2018.
5	AUDIT COMMITTEE:			
5.1	Responsibility to the Board of Directors:			
5.1 (a)	The company shall have an Audit Committee as a subcommittee of the Board;	✓		
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓		In Practice, TOR is available.
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓		In Practice. The duties are clearly written in the TOR of the Audit Committee.
5.2	Constitution of the Audit Committee:			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	✓		The Audit Committee is comprised of 4 (four) members.
5.2 (b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓		
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; Explanation: The term "financially literate" means the ability to read and understand the financial statements like statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows statement and a person will be considered to have accounting or related financial management expertise if he or she possesses professional qualification or Accounting or Finance graduate with at least 10 (ten) years of corporate management or professional experiences.	✓		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓		The board have appointed members in due time and no vacancy occurred.

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
5.2 (e)	The company secretary shall act as the secretary of the Committee;	✓		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
5.3	Chairman of the Audit Committee:			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓		
5.3 (c)	"Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM"	✓		
5.4	Meeting of the Audit Committee			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓		
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓		
5.5	"Role of Audit Committee: The Audit Committee shall:"			
5.5 (a)	Oversee the financial reporting process;	✓		
5.5 (b)	monitor choice of accounting policies and principles;	✓		
5.5 (c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓		
5.5 (d)	oversee hiring and performance of external auditors;	✓		
5.5 (e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓		
5.5 (f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for	✓		
5.5 (h)	Review the adequacy of internal audit function;	✓		
5.5 (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓		

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
5.5 (j)	review statement of all related party transactions submitted by the management;	✓		
5.5 (k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓		
5.5 (l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓		
5.5 (m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission: Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results: Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee.	✓		Revised utilization plan of IPO fund has been approved by shareholders in EGM held on 02.03.15 & 04.12.16.
5.6	Reporting of the Audit Committee:			
5.6 (a)	Reporting to the Board of Directors:			
5.6 (a) (i)	The Audit Committee shall report on its activities to the Board.	✓		
5.6 (a) (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
5.6 (a) (ii) (a)	Report on conflicts of interests;	✓		There was no reportable conflict of interest matter arised during the year.
5.6 (a) (ii) (b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	✓		No such matter arised during the year.
5.6 (a) (ii) (c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	✓		DO
5.6 (a) (ii) (d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	✓		DO
5.6 (b)	"Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. "			Not Applicable.
5.7	"Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company."	✓		The Audit Committee Report is disclosed in the annual report and signed by the Chairman of the said Committe.

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
6	Nomination and Remuneration Committee (NRC).-			
6.1	Responsibility to the Board of Directors			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	✓		NRC was formed on 6 September 2018 and all requirements shall be complied with subsequent to the formation of the NRC.
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓		DO
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6 (5) (b).	✓		DO
6.2	Constitution of the NRC			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	✓		DO
6.2 (b)	All members of the Committee shall be non-executive directors;	✓		DO
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	✓		DO
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	✓		DO
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	✓		DO
6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	✓		DO
6.2 (g)	The company secretary shall act as the secretary of the Committee;	✓		DO
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓		DO
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓		NRC was formed on 6 September 2018 and all requirements shall be complied with subsequent to the formation of the NRC.
6.3	Chairperson of the NRC			
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓		DO
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓		DO

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.	✓		DO
6.4	Meeting of the NRC			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year		✓	DO
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC	✓		DO
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h)	✓		DO
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓		DO
6.5	Role of the NRC			
6.5 (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓		DO
6.5 (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓		DO
6.5 (b) (i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓		DO
6.5 (b) (i) (a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓		DO
6.5 (b) (i) (b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓		DO
6.5 (b) (i) (c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓		DO
6.5 (b) (ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓		DO
6.5 (b) (iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓		DO
6.5 (b) (iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓		DO
6.5 (b) (v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓		DO
6.5 (b) (vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓		DO
6.5 (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓		DO

"Condition No."	Title	Compliance status (Put Pin the appropriate column)		"Remarks (if any)"
		Complied	Not complied	
7	"EXTERNAL/STATUTORY AUDITORS: The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-"			
7.1 (i)	appraisal or valuation services or fairness opinions	✓		The Statutory Auditor have dedared their compliances.
7.1 (ii)	financial information systems design and implementation;	✓		DO
7.1 (iii)	book-keeping or other services related to the accounting records or financial statements;	✓		DO
7.1 (iv)	broker-dealer services;	✓		DO
7.1 (v)	actuarial services;	✓		DO
7.1 (vi)	internal audit services or special audit services;	✓		DO
7.1 (vii)	any service that the Audit Committee determines;	✓		DO
7.1 (viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓		DO
7.1 (ix)	any other service that creates conflict of interest.	✓		DO
7.2	"No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members. "	✓		DO
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓		DO
8	Maintaining a website by the Company			
8.1	The company shall have an official website linked with the website of the stock exchange.	✓		
8.2	The company shall keep the website functional from the date of listing.	✓		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓		
9	Reporting and Compliance of Corporate Governance.			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. Explanation: "Chartered Accountant" means Chartered Accountant as defined in the Bangladesh Chartered Accountants Order, 1973 (President's Order No. 2 of 1973); "Cost and Management Accountant" means Cost and Management Accountant as defined in the Cost and Management Accountants Ordinance, 1977 (Ordinance No. LIII of 1977); "Chartered Secretary" means Chartered Secretary as defined in the Chartered Secretaries Act, 2010.	✓		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓		Will be effective from next ensuring AGM.
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓		

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES



Ref. No: **01-2018/120**

Date of issue : **March 12, 2018**

Renewed Certificate

This is to certify that

THE PENINSULA CHITTAGONG LIMITED

is an Ordinary Member of Bangladesh Association of Publicly Listed Companies and is entitled to all the rights and privileges appertaining thereto.

This certificate remains current until 31st December 2018.



[Signature]
Secretary-General
(Acting)



Financial Statements

Chittagong Office:

Yunso City Center (9th Floor), 807, Avenue,
 Nasirabad, Chittagong, Bangladesh
 + 88 031 2859281
 ctg@hfc-bd.com
 www.hfc.com

AUDITORS' REPORT

To The Shareholders Of The Peninsula Chittagong Limited

Report on the Financial Statements

We have audited the accompanying financial statements of The Peninsula Chittagong Limited ("the Company") which comprise the statement of financial position as at 30 June 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of

the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994, and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and Securities and Exchange Rules 1987, we also report the following:

- (a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (c) The statement of financial position, and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.
- (d) The expenditure incurred was for the purposes of the Company's business.

Chattogram, 08 september 2018


Hussain Farhad & Co.
 Chartered Accountants

The Peninsula Chittagong Limited
Statement of Financial Position
 As At 30 June 2018

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
Assets			
Non-current assets			
Property, plant and equipment	4	2,352,163,174	2,375,120,997
Capital Work in Progress	5	171,364,461	-
Intangible assets	6	1,642,262	1,974,694
Investments	7	6,125,000	6,125,000
Total non-current assets		2,531,294,897	2,383,220,691
Current assets			
Inventories	8	16,814,138	26,935,843
Accounts receivable	9	28,516,945	39,761,375
Interest receivable	10	14,566,055	12,464,049
Advances, deposits and prepayments	11	183,006,803	198,859,693
Short term investments	12	10,590,541	13,090,125
Cash and cash equivalents	13	1,028,581,359	1,172,035,106
Total current assets		1,282,075,841	1,463,146,191
Total assets		3,813,370,738	3,846,366,882
Equity and Liabilities			
Equity			
Share capital	14	1,186,668,000	1,186,668,000
Retained earnings	15	189,664,474	174,844,703
Share premium		1,050,958,284	1,050,958,284
Revaluation surplus	16	1,228,413,842	1,228,413,842
Total equity		3,655,704,600	3,640,884,829
Liabilities			
Non-current liabilities			
Deferred tax liabilities	17	61,272,394	49,495,635
Total non-current liabilities		61,272,394	49,495,635
Current liabilities			
Accounts payable	18	47,764,485	34,280,963
Short term borrowings	19	12,027,067	17,575,284
Current portion of lease finance	20.01	-	583,586
Provision for income tax	21	23,967,423	93,348,411
Unclaimed dividend	22	7,392,796	5,627,026
Provision for WPPF and Welfare Fund	23	5,241,973	4,571,148
Total current liabilities		96,393,744	155,986,418
Total liabilities		157,666,138	205,482,053
Total equity and liabilities		3,813,370,738	3,846,366,882
Net Asset Value Per Share	33	30.81	30.68

The annexed notes 1 to 42 form an integral part of these financial statements.


 Company Secretary


 Managing Director


 Director


 Chairman

Chattogram, 08 september 2018

As per our annexed report of same date.


Hussain Farhad & Co.
 Chartered Accountants

The Peninsula Chittagong Limited
Statement of Profit or Loss and Other Comprehensive Income
 For the year ended 30 June 2018

	Note(s)	01 July 2017 to 30 June 2018 Taka	01 July 2016 to 30 June 2017 Taka
Revenue	24	264,285,245	268,789,109
VAT expenses	39.01	-	(30,652,108)
Cost of sales	25	(189,133,140)	(172,253,226)
Gross profit		75,152,105	65,883,775
Administrative expenses	26	(54,204,699)	(50,912,458)
Selling and distribution expense	27	(940,120)	(1,130,026)
Operating Profit		20,007,286	13,841,291
Finance costs	28	(7,028,997)	(16,661,887)
Finance income	29	93,641,248	92,514,147
Non-operating income/(loss)	30	(1,780,082)	1,729,404
Profit before tax and WPPF and Welfare Fund		104,839,455	91,422,955
Contribution to WPPF and Welfare Fund	23	(5,241,973)	(4,571,148)
Profit before tax		99,597,482	86,851,807
Income tax expenses:			
Current tax	21	(13,667,552)	(10,299,871)
Deferred tax	17	(11,776,759)	(14,226,299)
		(25,444,311)	(24,526,170)
Net profit after tax for the year		74,153,171	62,325,637
Other comprehensive income			
Items that will never be reclassified to profit or loss		-	-
Items that are or may be reclassified to profit or loss		-	-
		-	-
Total comprehensive income		74,153,171	62,325,637
Earnings Per Share (Basic)	32	0.62	0.53

The annexed notes 1 to 42 form an integral part of these financial statements.


 Company Secretary


 Managing Director


 Director


 Chairman

Chattogram, 08 september 2018

As per our annexed report of same date.

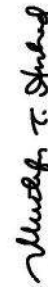

Hussain Farhad & Co.
 Chartered Accountants

The Peninsula Chittagong Limited
Statement of Changes in Equity
 For the year ended 30 June 2018

	Amount in Taka				
	Share Capital	Share Premium	Revaluation Surplus	Retained Earnings	Total
Balance as on 01 July 2016	1,186,668,000	1,050,958,284	1,228,413,842	231,185,866	3,697,225,992
Cash dividend for the year ended 30 June 2016	-	-	-	(118,666,800)	(118,666,800)
Net Profit for the year ended 30 June 2017	-	-	-	62,325,637	62,325,637
Balance as at 30 June 2017	1,186,668,000	1,050,958,284	1,228,413,842	174,844,703	3,640,884,829
Balance as on 01 July 2017	1,186,668,000	1,050,958,284	1,228,413,842	174,844,703	3,640,884,829
Cash dividend for the year ended 30 June 2017	-	-	-	(59,333,400)	(59,333,400)
Net Profit for the year ended 30 June 2018	-	-	-	74,153,171	74,153,171
Balance as at 30 June 2018	1,186,668,000	1,050,958,284	1,228,413,842	189,664,474	3,655,704,600



Company Secretary



Managing Director



Director



Chairman

The Peninsula Chittagong Limited

Statement of Cash Flows

For the year ended 30 June 2018

	Note(s)	01 July 2017 to 30 June 2018 Taka	01 July 2016 to 30 June 2017 Taka
a. Operating activities			
Receipts from customers against revenue		275,529,675	261,999,663
Receipts from other sources		603,645	293,228
Cash paid to suppliers		(139,190,758)	(151,117,620)
Cash paid for administrative, selling and distribution expenses		(107,478,463)	(60,746,191)
Cash generated by operations	31.00	29,464,099	50,429,080
Receipts from interest-Net		84,503,740	78,108,886
Cash paid for VAT expenses		-	(16,905,435)
Income Tax paid		(12,984,713)	(23,942,771)
Net cash flows generated by operating activities		100,983,126	87,689,760
b. Investing activities			
Acquisition of property, plant and equipment		(180,821,598)	(16,838,503)
Proceeds from sale of property, plant and equipment		-	1,455,000
(Increase)/decrease in investments		(75,163)	(87,820)
Dividend received (net of tax)		152,816	76,832
Net cash flows used in investing activities		(180,743,945)	(15,394,491)
c. Financing activities			
Receipts /(repayments) of short term borrowings		(5,548,217)	(217,223,500)
Receipts /(repayments) of lease finance		(583,586)	(561,896)
Dividend paid		(57,567,630)	(117,794,421)
Net cash flows used in financing activities		(63,699,433)	(335,579,817)
d. Net increase in cash and cash equivalents (a+b+c)		(143,460,252)	(263,284,548)
e. Opening cash and cash equivalents		1,172,035,106	1,435,317,542
f. Effect of foreign exchange rate changes		6,505	2,112
g. Cash and cash equivalents at the end of the year (d+e+f)		1,028,581,359	1,172,035,106
Net operating cash flows per share	34.00	0.85	0.74


Company Secretary


Managing Director


Director


Chairman

The Peninsula Chittagong Limited

Notes to the Financial Statement

As at and for the year ended at 30 June 2018

1.00 THE REPORTING ENTITY

1.01 Legal form of Enterprise

The company was formed on 25 July 2002 under The Companies Act 1994 vide registration no. C-46488 in the name of Voyager Bangladesh Limited. Later, it was renamed as The Peninsula Chittagong Limited on 7 June 2010 vide special resolution of the shareholders in the Extra Ordinary General Meeting (EGM). The company converted from Private Limited Company to Public Limited Company on 30 November 2010 vide special resolution of the shareholders in the Extra Ordinary General Meeting (EGM) and obtained approval of Registrar of Joint Stock Companies & Firms accordingly. The company offloaded 55,000,000 shares after getting approval from Bangladesh Securities and Exchange Commission (BSEC) on 19 February 2014 through initial public offering. The company's shares were enlisted in both Dhaka and Chittagong Stock Exchanges on 04 June 2014 & 22 May 2014 respectively in accordance with letter ref. DSE/Listing/ULC/2014/5035 & CSE/Listing/TPCL-2014.

1.02 Registered Office of the Company

The registered office of the company is located at Bulbul Center, 486/B, O.R. Nizam Road, CDA Avenue, Chittagong 4100, Bangladesh.

1.03 Nature of the Business

The principal activities of the company includes carrying of business of modern hotel, restaurants, etc. In this context the company has established a hotel named "The Peninsula Chittagong Limited" which offers a range of hotel facilities including fitness centre, a luxurious oasis within the hotel with gymnasium, swimming pool, sauna, steam bath and massage treatments etc. The company started commercial operation on 17 February 2006.

2.00 BASIS OF PREPARATION

2.01 Statement of Compliance

The financial statements of the company under reporting have been prepared on a going concern basis following accrual basis of accounting except for cash flow statement in accordance with the Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) as adopted in Bangladesh by the Institute of Chartered Accountants of Bangladesh.

2.02 Basis of Reporting

The financial statements are prepared and presented for external users by the company in accordance with identified financial reporting framework. Presentation has been made in compliance with the requirements of BAS 1 – "Presentation of Financial Statements". The financial statements comprise of:

- a) A statement of financial position as at 30 June 2018.
- b) A statement of profit or loss and other comprehensive income for the year ended 30 June 2018.
- c) A statement of changes in equity for the year ended 30 June 2018.
- d) A statement of cash flows for the year ended 30 June 2018.
- e) Notes, comprising a summary of significant accounting policies and explanatory information.

2.03 Other Regulatory Compliances

The company is also required to comply with the following major laws and regulations along with the Companies Act 1994:

- i) The Income Tax Ordinance, 1984
- ii) The Income Tax Rules, 1984
- iii) The Value Added Tax Act, 1991
- iv) The Value Added Tax Rules, 1991
- v) The Securities and Exchange Rules, 1987
- vi) The Securities and Exchange Ordinance, 1969
- vii) The Customs Act, 1969
- viii) Bangladesh Labour Law, 2006 (as amended in 2013)

2.04 Authorization for Issue

These financial statements have been authorized for issue by the Board of Directors on 06 September 2018.

2.05 Basis of Measurement

These financial statements have been prepared on going concern basis under the historical cost convention except for land and land development of property, plant and equipment and Investment in quoted shares which are measured at fair value.

2.06 Functional and Presentation Currency

These financial statements are presented in Bangladesh Taka (BDT) which is the company's functional currency. All the financial information presented in Bangladesh Taka has been rounded off to the nearest Taka except when otherwise indicated.

2.07 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with BAS-7 "Statement of Cash Flows" and the cash flows from operating activities have been presented under direct method. A reconciliation of net income or net profit with cash flows from operating activities making adjustments for non-cash items, for non-operating items and for the net changes in operating accruals as per requirement of Securities and Exchange Rules 1987.

2.08 Going Concern

The Company has adequate resources to continue its operation for foreseeable future and hence, the financial statements have been prepared on going concern basis. As per management's assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the company's ability to continue as a going concern.

2.09 Applicable Accounting Standards

The following BASs and BFRSs are applicable for preparation and reporting of the Financial Statements for the year under review:

BAS - 1	Presentation of Financial Statements
BAS - 2	Inventories
BAS - 7	Statement of Cash Flows
BAS - 8	Accounting Policies, Changes in Accounting Estimates and Errors
BAS - 10	Events after the Reporting Period
BAS - 12	Income Taxes
BAS - 16	Property, Plant and Equipment
BAS - 17	Leases
BAS - 18	Revenue
BAS - 19	Employee Benefits
BAS - 21	The Effects of Changes in Foreign Exchange Rates
BAS - 23	Borrowing Costs
BAS - 24	Related Party Disclosures
BAS - 33	Earnings Per Share
BAS - 37	Provisions, Contingent Liabilities and Contingent Assets
BAS - 38	Intangible Assets
BAS - 39	Financial Instruments: Recognition and Measurement
BFRS - 7	Financial Instruments: Disclosures
BFRS - 13	Fair Value Measurement

2.10 Standards Adopted but not Yet Effective

The Institute of Chartered Accountants of Bangladesh (ICAB) has adopted following new standards and amendments to standards -

- (a) BFRS - 9 Financial Instruments
- (b) BFRS - 15 Revenue from Contracts with Customers

The above standards are effective for annual reporting periods beginning on or after 01 January 2018, with early adoption permitted. The Company is assessing the potential impact on its financial statements resulting from the application of BFRS 9 and BFRS 15.

2.11 Use of Estimates and Judgments

The preparation of the financial statements in conformity with BFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are based on past experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Note: 4 Property, plant and equipment

Note: 6 Intangible assets

Note: 8 Inventories

Note: 9 Accounts receivable

Note: 17 Deferred tax liabilities

Note: 21 Provision for income tax

2.12 Change in Accounting Estimates

For the year ended on 30 June 2017, intangible assets has been amortised using the straight line method so as to write off the assets over their expected useful life. Amortisation on additions of assets during the period is charged from the month (date of service) of addition of the respective asset.

2.13 Comparative Information

Comparative information has been disclosed in respect of the year ended on 30 June 2017 in accordance with BAS - 1 "Presentation of Financial Statements", for all numeric information in the financial statements.

2.14 Reporting Period

The financial statements of the company covered the reporting period of one year commencing from 01 July 2017 to 30 June 2018 which is followed consistently.

3.00 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The specific accounting policies selected and applied by the company's directors for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the BAS-1 "Presentation of Financial Statements". The recommendations of BAS-1 relating to the format of financial statements were also taken into full consideration for fair presentation.

Set out below is an index of the significant accounting policies, the details of which are available on the following:

- 3.01 Consistency
- 3.02 Property, Plant and Equipment (PPE)
- 3.03 Intangible Asset
- 3.04 Capital Work-in-Progress
- 3.05 Leases
- 3.06 Inventories
- 3.07 Financial Instruments
- 3.08 Impairment
- 3.09 Transactions with Related Parties
- 3.10 Share Capital
- 3.11 Employee Benefit Schemes
- 3.12 Income Tax Expenses
- 3.13 Provisions and Contingencies

- 3.14 Revenue Recognition
- 3.15 Other Operating Income
- 3.16 Finance Income and Expenses
- 3.17 Borrowing Costs
- 3.18 Foreign Currency Transactions
- 3.19 Earnings Per Share (EPS)
- 3.20 Measurement of Fair Values
- 3.21 Events After the Reporting Period

3.01 Consistency

Unless otherwise stated, the accounting policies and methods of computation used in preparation of Financial Statements for the year ended on 30 June 2018 are consistent with those policies and methods adopted in preparing the Financial Statements for the year ended on 30 June 2017.

3.02 Property, Plant and Equipment (PPE)

Items of property, plant and equipment are stated at cost and re-valued amount less accumulated depreciation and accumulated impairment losses, if any.

3.02.01 Recognition and Measurement

The cost of an item of property, plant and equipment comprises its purchase price, import duty and non-refundable taxes (after deducting trade discount and rebates) and any cost directly attributable to the acquisition of the assets. The cost of self constructed/installed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner and the cost of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment and is recognised under other income/expenses in the statement of profit or loss and other comprehensive income.

3.02.02 Subsequent Costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss.

3.02.03 Depreciation

Land is held on a freehold basis and is not depreciated considering the unlimited useful life. In respect of all other property, plant and equipment, depreciation is recognised in statement of profit or loss and other comprehensive income on diminishing balance method over the estimated useful lives of property, plant and equipment. Significant parts of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is charged on addition from the month (date of service) of acquisition/addition upto the month of disposal. The depreciation method used reflects the pattern in which the asset's economic benefits are consumed by the entity. The principal annual rates/useful lives are as follows.

CATEGORY OF ASSETS	RATE OF DEPRECIATION (%)
Hotel Building	2%
Plant and Machinerics	5%
Equipment and Appliance	5% - 10%
○ Office Equipment	10%
○ Electrical Equipment	10%
○ Air Conditioner	5%
○ Kitchen Equipment	5%
○ House Keeping Equipment	10%
○ Bar Equipment	10%

○ Security Equipment	10%
○ Linen	10%
○ SPA	5%
○ Wooden Floor	5%
○ Tumbler Drier	5%
Motor Vehicles	10%
Furniture & Fixtures	5%
Office Decoration	5%

Depreciation methods, useful lives and residual values are reassessed at the reporting date and adjusted if appropriate.

Upon retirement of assets, the cost and related accumulated depreciation are eliminated from the accounts and resulting gain or loss is charged or credited to statement of profit or loss and other comprehensive income.

3.02.04 Revaluation of Property, Plant and Equipment

Since inception, the company revalued its fixed assets for the 1st time in the year 2010-2011 by Syful Shamsul Alam & Co., Chartered Accountants. Reserve was created by the sum of revaluation surplus as per the provision of BAS-16.

The board of directors agreed to discard the revaluation surplus of all assets except Land & Land Development in a board meeting held on 05 August 2012 and instructed the management to consider the proper accounting policies for it.

3.03 Intangible Asset

3.03.01 Recognition and Measurement

Intangible assets that are acquired by the company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognised when all the conditions for recognition as per BAS 38: "Intangible Assets" are met. The cost of an intangible asset comprises its purchase price and any directly attributable cost of preparing the asset for its intended use.

3.03.02 Subsequent Costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as incurred.

3.03.03 Amortisation

The intangible assets of the company are ERP (Tally) and Hotel Management software which are amortised every month following straight line method for 10 (ten) years. The amortisation cost is charged in profit or loss.

Amortisation methods, useful lives and residual values are reassessed at the reporting date and adjusted if appropriate.

3.04 Capital Work-in-Progress

Property, Plant and Equipment under construction/acquisition is accounted for as capital work-in-progress until construction/acquisition is completed and measured at cost.

3.05 Leases

At inception of an arrangement, the company determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the entity separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

3.05.01 Finance Lease

Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Minimum lease payments made under finance lease are apportioned between the finance expense and the reduction of outstanding liability. The finance expense is allocated to each year during the lease term so as to produce a constant rate of interest on the remaining balance of the liability.

3.05.02 Operating Lease

Leases that are not finance lease are considered as operating leases and the leased assets are not recognised in the Company's Statement of Financial Position. Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

3.06 Inventories**Nature of inventories**

Inventories comprise of food & beverage, house keeping materials, printing & stationary, hard drinks, stores & spares etc.

Valuation of the inventories

Inventories are measured at lower of cost and net realizable value. The cost of inventories include expenditure incurred in acquiring these inventories, and other costs incurred in bringing them to their existing location and condition in accordance with BAS 2 "Inventories".

Category	Valuation
Food	Weighted average cost
Beverage	Weighted average cost
House Keeping Materials	Weighted average cost
Printing & Stationary	Weighted average cost
Store & Spares	Weighted average cost

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

3.07 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.07.01 Financial Assets

The Company initially recognises, loans receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expires, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred.

Financial assets are classified into the following categories: financial assets at fair value through profit or loss, held to maturity, loans and receivables and available-for-sale financial assets.

At fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the company's documented risk management or investment strategy. Attributable transactions costs are recognised in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which take into account and dividend income are recognised in profit or loss. Investment in equity securities and debt securities are classified under at fair value through profit or loss.

Held to maturity

These assets are initially recognised at fair value plus any directly attributable transaction cost. Subsequent to initial recognition, they are measured at amortized cost using the effective interest method.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost.

Loans and receivables comprise cash and cash equivalents, loans, accounts receivables and deposits.

(a) Account receivable

Account receivable are initially recognised at cost which is the fair value of the consideration given in return. After initial recognition, these are carried at cost less impairment losses, if any, due to un-collectability of any amount so recognised.

There is no fixed company policy regarding provision for impairment loss on receivables, if any receivables are not realized within the credit period. It has been dealt with on case to case basis.

(b) Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as Property, Plant and Equipment, Inventory or Expenses.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash, and that are subject to an insignificant risk of changes in value.

Available-for-sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale and are not classified in any other categories of financial assets. Generally available-for-sale financial assets are recognised initially at fair value plus any directly attributable transaction costs and subsequent to initial recognition at fair value and changes therein other than impairment losses are recognised in other comprehensive income and presented in the fair value reserve in equity. Financial assets which are not traded in the market have been valued at cost unless any indication of impairment in value of such financial assets exist. Cumulative gain/losses recognised in the other comprehensive income are reclassified from equity to profit or loss upon derecognition or reclassification.

3.07.02 Financial Liabilities

The company initially recognises all financial liabilities on the trade date which is the date the company becomes a party to the contractual provisions of the instrument.

The company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

The company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less directly attributable transaction cost. Subsequent to initial recognition, these financial liabilities are measured at amortised cost.

Other financial liabilities comprise loans and borrowings, bank overdrafts and accounts payable.

(a) Accounts payable

The company recognises a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the company of resources embodying economic benefits.

3.08 Impairment

3.08.01 Financial Assets

Financial assets are impaired if objective evidence indicates that a loss event has occurred after initial recognition of the assets and that the loss event had a negative effect on the estimated future cash flows of that assets that can be estimated reliably.

Financial assets not classified as at fair value through profit or loss, including an interest in an equity accounted investee, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor
- restructuring of an amount due to the company on terms that the company would not consider otherwise
- indications that a debtor or issuer will enter bankruptcy
- adverse changes in the payment status of borrowers or issuers
- the disappearance of an active market for a security, or
- observable data indicating that there is a measurable decrease in expected cash flows from a group of financial assets

For an investment in an equity security, objective evidence of impairment includes a significant or prolonged decline in its fair value below its cost.

3.08.02 Financial Assets Measured at Amortized Cost

The company considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Collective assessment is carried out by grouping together assets with similar risks characteristics.

In assessing collective impairment, the company uses historical information on the timing of recoveries and the amount of loss incurred, and makes any adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the company considers that there is no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

3.08.03 Available for Sale Financial Assets

Impairment losses on available for sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortization) and the current fair value, less any impairment loss previously recognised in profit or loss. If the fair value of an impaired available for sale debt security subsequently increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, then the impairment loss is reversed through profit or loss; otherwise, it is reversed through other comprehensive income.

3.08.04 Non Financial Assets

The carrying amounts of the company's property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the property, plant and equipment's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss, other comprehensive income and equity as applicable.

3.09 Transactions with Related Parties

The objective of BAS 24 "Related Party Disclosure" is to ensure that an entity's financial statements contain the disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and by transactions and outstanding balances with such parties.

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operating decisions.

A party is related to an entity if: [BAS 24.9] directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the entity has an interest in the entity that gives it significant influence over the entity, has joint control over the entity, the party is a member of the key management personnel of the entity or its parent, the party is a close member of the family of any individual, the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual and the party is a post-employment benefit plan for the benefit of employees of the entity.

3.10 Share Capital

Paid-up-capital represents total amount contributed by the shareholders and bonus shares issued by the company to the ordinary shareholders. Incremental costs directly attributable to the issue of ordinary shares are recognised as expenses as and when incurred. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the company, ordinary shareholders rank after all other shareholders. Creditors are fully entitled to any proceeds of liquidation before all shareholders.

3.11 Employee Benefit Schemes

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees.

3.11.01 Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate fund and will have no legal or constructive obligation to pay further amount. The company maintains the Provident Fund for all permanent employees at which both the company and employees contribute @ 7% of basic salary. The Employees' Provident Fund is considered as defined contribution plan as it meets the recognition criteria specified for this purpose in BAS-19.

Obligation for contribution to defined contribution plan is recognised as provident fund (PF) contribution expenses in profit or loss in the year during which services are rendered by employees. Advance against PF is recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

3.11.02 Defined Benefit Plan

Workers' Profit Participation and Welfare Funds

The company also recognises a provision for Workers' Profit Participation and Welfare Funds @ 5% of net profit before tax in accordance with the provision of Section 234 (Kha), Chapter 15 of Bangladesh Labour Law 2006.

3.12 Income Tax Expenses

Income tax expenses comprise current tax and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

3.12.01 Current Tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using rates enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous years.

3.12.02 Deferred Tax

Deferred tax is recognised in compliance with BAS 12: Income taxes, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and amount used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax on revaluation surplus of land and land development has not been recognised in the financial statements on the ground that income tax payable at source on capital gain during registration of sale of land are generally borne by the buyer. Hence, possibility of having any income tax implications on land is very remote.

3.13 Provisions and Contingencies

A provision is recognised in the Statement of Financial Position when the company has a legal or contractual obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingencies arising from claims, litigations, assessments, fine, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are not recognised.

3.14 Revenue Recognition

In compliance with the requirements of BAS 18 "Revenue" revenue is recognized when the services delivered/provided net of discounts and applicable duties and taxes, if any. Revenue arises from the provision of services where these activities give rise to economic benefits received and receivable by the company.

3.15 Other Operating Income

Other operating income includes gain / (loss) on sale of non-current assets and miscellaneous receipts. Other operating income is recognised as revenue income as and when realised.

3.16 Finance Income and Expenses

3.16.01 Finance Income

Interest income on Fixed Deposit Receipts (FDR) and Short Term Deposits (STD) account has recognised when received or accrued on a time basis by reference to the principal outstanding at the effective interest applicable.

3.16.02 Finance Expenses

Interest expenses except expenses related to acquisition/construction of assets, incurred during the year are charged to Statement of Profit or Loss and Other Comprehensive Income on accrual basis.

Interest income/expenses on amount due to/due from inter companies, if any, has been recognised periodically.

3.17 Borrowing Costs

Interest and other costs incurred by the company in connection with the borrowing of funds are recognised as expense in the year in which they are incurred, unless such borrowing cost relates to acquisition / construction of assets in progress that are capitalized as per BAS 23 "Borrowing Costs". Borrowing cost incurred against loan for BMRE project has been capitalised under effective interest rate method.

3.18 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency (BDT) at exchange rates at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are re-translated into Bangladesh Taka at the exchange rates ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

3.19 Earnings Per Share (EPS)

The company calculates its earnings per share in accordance with Bangladesh Accounting Standard BAS-33 "Earnings per Share" which has been reported on the face of Statement of Profit or Loss and Other Comprehensive Income.

This represents profit for the year attributable to ordinary shareholders. As there is no preference dividend, non-controlling interest or extra ordinary items, the net profit after tax for the year has been considered fully attributable to the ordinary shareholders.

3.19.01 Basic Earnings Per Share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

3.19.02 Diluted Earnings Per Share

Diluted earnings per share is required to be calculated for the year when scope for dilution exists.

3.20 Measurement of Fair Values

When measuring the fair value of an asset or liability, the entity uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Property, plant and equipment

The fair value of land and land development of property, plant and equipment has been determined based on Net Realisable Value Method/ Market Value Method depending on the nature and corresponding circumstances.

Equity and debt securities

Fair values of tradable equity and debt securities are determined by reference to their quoted closing price in active market at the reporting date which are categorised under 'Level 1' of the fair value hierarchy.

3.21 Events After the Reporting Period

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position or those that indicate the going concern assumption is not appropriate are reflected in the Financial Statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

4.00 Property, plant and equipment - at revalued model

	Amount in Taka							
	Land and Land Development	Hotel Building	Plant and Machineries	Equipment and Appliance	Motor Vehicles	Furniture and Fixtures	Office Decoration	Total
At revalued amount								
Balance as on 01 July 2016	1,434,250,406	754,610,639	79,328,707	361,415,581	41,470,969	96,101,322	60,461,516	2,827,639,140
Additions during the year	-	206,492	2,702,252	6,730,080	6,995,549	63,530	140,600	16,838,503
Disposals/Adjustments during the year	-	-	-	-	(2,711,643)	-	-	(2,711,643)
Balance as at 30 June 2017	1,434,250,406	754,817,131	82,030,959	368,145,661	45,754,875	96,164,852	60,602,116	2,841,766,000
Balance as on 01 July 2017	1,434,250,406	754,817,131	82,030,959	368,145,661	45,754,875	96,164,852	60,602,116	2,841,766,000
Additions during the year	-	151,579	2,909,618	5,921,349	-	188,512	286,079	9,457,137
Disposals/Adjustments during the year	-	-	-	-	-	-	-	-
Balance as at 30 June 2018	1,434,250,406	754,968,710	84,940,577	374,067,010	45,754,875	96,353,364	60,888,195	2,851,223,137
Accumulated depreciation								
Balance as on 01 July 2016	-	136,924,474	38,291,460	184,149,799	16,455,448	26,957,636	31,477,564	434,256,381
Depreciation Rate	-	2%	5%	5%-10%	10%	5%	5%	-
Charged for the year	-	12,241,849	2,058,451	11,330,914	2,723,154	3,381,087	1,419,066	33,154,521
Adjustment for disposals during the year	-	-	-	-	(765,899)	-	-	(765,899)
Balance as at 30 June 2017	-	149,166,323	40,349,911	195,480,713	18,412,703	30,338,723	32,896,630	466,645,003
Balance as on 01 July 2017	-	149,166,323	40,349,911	195,480,713	18,412,703	30,338,723	32,896,630	466,645,003
Depreciation Rate	-	2%	5%	5%-10%	10%	5%	5%	-
Charged for the year	-	12,003,901	2,101,993	11,118,804	2,612,316	3,221,503	1,356,443	32,414,960
Adjustment for disposals during year	-	-	-	-	-	-	-	-
Balance as at 30 June 2018	-	161,170,224	42,451,904	206,599,517	21,025,019	33,560,226	34,253,073	499,059,963
Carrying amount								
As at 30 June 2017	1,434,250,406	605,650,808	41,681,048	172,664,948	27,342,172	65,826,129	27,705,486	2,375,120,997
As at 30 June 2018	1,434,250,406	593,798,486	42,488,673	167,467,493	24,729,856	62,793,138	26,635,122	2,352,163,174

Depreciation allocated to:

Cost of sales
Administrative expenses

Note(s)	01 July 2017 to 30 June 2018		01 July 2016 to 30 June 2017	
	Taka		Taka	
25.01	26,337,155	26,938,048		
26.00	6,077,805	6,216,473		
	32,414,960	33,154,521		

4.01 Property, plant and equipment - at cost model

	Amount in Taka							Total
	Land and Land Development	Hotel Building	Plant and Machineries	Equipment and Appliance	Motor Vehicles	Furniture and Fixtures	Office Decoration	
At cost								
Balance as on 01 July 2016	205,836,564	754,610,639	79,328,707	361,415,581	41,470,969	96,101,322	60,461,516	1,599,225,298
Additions during the year	-	206,492	2,702,252	6,730,080	6,995,549	63,530	140,600	16,838,503
Disposals/Adjustments during the year	-	-	-	-	(2,711,643)	-	-	(2,711,643)
Balance as at 30 June 2017	205,836,564	754,817,131	82,030,959	368,145,661	45,754,875	96,164,852	60,602,116	1,613,352,158
Balance as on 01 July 2017	205,836,564	754,817,131	82,030,959	368,145,661	45,754,875	96,164,852	60,602,116	1,613,352,158
Additions during the year	-	151,579	2,909,618	5,921,349	-	188,512	286,079	9,457,137
Disposals/Adjustments during the year	-	-	-	-	-	-	-	-
Balance as at 30 June 2018	205,836,564	754,968,710	84,940,577	374,067,010	45,754,875	96,353,364	60,888,195	1,622,809,295
Accumulated depreciation								
Balance as on 01 July 2016	-	136,924,474	38,291,460	184,149,799	16,455,448	26,957,636	31,477,564	434,256,381
Depreciation Rate	-	2%	5%	5%-10%	10%	5%	5%	-
Charged for the year	-	12,241,849	2,058,451	11,330,914	2,723,154	3,381,087	1,419,066	33,154,521
Adjustment for disposals during the year	-	-	-	-	(765,899)	-	-	(765,899)
Balance as at 30 June 2017	-	149,166,323	40,349,911	195,480,713	18,412,703	30,338,723	32,896,630	466,645,003
Balance as on 01 July 2017	-	149,166,323	40,349,911	195,480,713	18,412,703	30,338,723	32,896,630	466,645,003
Depreciation Rate	-	2%	5%	5%-10%	10%	5%	5%	-
Charged for the year	-	12,003,901	2,101,993	11,118,804	2,612,316	3,221,503	1,356,443	32,414,960
Adjustment for disposals during the year	-	-	-	-	-	-	-	-
Balance as at 30 June 2018	-	161,170,224	42,451,904	206,599,517	21,025,019	33,560,226	34,253,073	499,059,963
Carrying amount								
As at 30 June 2017	205,836,564	605,650,808	41,681,048	172,664,948	27,342,172	65,826,129	27,705,486	1,146,707,155
As at 30 June 2018	205,836,564	593,798,486	42,488,673	167,467,493	24,729,856	62,793,138	26,635,122	1,123,749,332

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
5.00 Capital Work in Progress			
Opening balance		-	-
Add: Addition during the year	5.01	171,364,461	-
Less: Capitalized during the year		-	-
Closing balance		171,364,461	-

5.01 Details of capital work-in-progress

Particulars	Opening Balance	Additions during the year	Capitalized during the Year	Balance as on 30 June 2018	Balance as on 30 June 2017
Civil Works	-	165,683,734	-	165,683,734	-
Lift and Generator	-	650,808	-	650,808	-
Machineries and Equipment	-	5,029,919	-	5,029,919	-
	-	171,364,461	-	171,364,461	-

Above additions to capital work in progress was made for The Peninsula Chittagong - Airport Garden Hotel.

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
6.00 Intangible assets			
Software (ERP Tally)	6.01	29,843	39,795
Hotel Management Software	6.01	1,612,419	1,934,899
		1,642,262	1,974,694

6.01 Intangible assets schedule

	Software (ERP Tally)	Hotel Management Software	30 June 2018 Taka	30 June 2017 Taka
Cost				
Opening balance	100,000	3,471,560	3,571,560	3,571,560
Add: Addition during the year	-	-	-	-
Closing balance	100,000	3,471,560	3,571,560	3,571,560
Accumulated amortisation				
Opening balance	60,205	1,536,661	1,596,866	1,264,433
Add: Charged during the year	9,952	322,480	332,432	332,433
Closing balance	70,157	1,859,141	1,929,298	1,596,866
Carrying amount	29,843	1,612,419	1,642,262	1,974,694

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
7.00 Investments			
Investments in non-tradable shares at cost	7.01	6,125,000	6,125,000
		6,125,000	6,125,000

7.01 Investments in non-tradable shares at cost

	Quantity	30 June 2018 Taka	30 June 2017 Taka
Lanka Bangla Securities Limited	73,370	3,750,000	3,750,000
Energy Prima Limited	25,000	2,375,000	2,375,000
		6,125,000	6,125,000

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
8.00 Inventories			
Food	8.01	6,850,076	14,583,810
House keeping materials	8.02	2,030,940	4,555,325
Printing and stationeries	8.03	1,401,870	1,199,780
Beverage	8.04	5,121,785	4,847,937
Stores & Spares	25.03	1,409,467	1,748,991
		16,814,138	26,935,843

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
8.01 Food			
Opening balance		14,583,810	13,607,112
Add: Purchased during the year		64,306,478	62,002,049
Available for consumption		78,890,288	75,609,161
Less: Consumed during the year		(72,040,212)	(61,025,351)
Closing balance		6,850,076	14,583,810
8.02 House keeping materials			
Opening balance		4,555,325	2,543,800
Add: Purchased during the year		8,837,738	10,411,262
Available for consumption		13,393,063	12,955,062
Less: Consumed during the year		(11,362,123)	(8,399,737)
Closing balance		2,030,940	4,555,325
8.03 Printing and stationeries			
Opening balance		1,199,780	1,171,538
Add: Purchased during the year		878,935	832,881
Available for consumption		2,078,715	2,004,419
Less: Consumed during the year		(676,845)	(804,639)
Closing balance		1,401,870	1,199,780
8.04 Beverage			
Opening balance		4,847,937	5,861,268
Add: Purchased during the year		3,638,399	-
Available for consumption		8,486,336	5,861,268
Less: Consumed during the year		(3,364,551)	(1,013,331)
Closing balance		5,121,785	4,847,937
9.00 Accounts receivable			
Opening Balance		39,761,375	32,971,929
Add: Services rendered on credit during the year		123,298,161	161,908,059
Less: Realised during the Year		(134,542,591)	(155,118,613)
Closing Balance		28,516,945	39,761,375
9.01 Ageing of accounts receivable			
Dues within 6 Months		22,262,107	36,440,553
Dues over 6 months		6,254,838	3,320,822
		28,516,945	39,761,375
9.02 Accounts receivable - Classification by security and related party:			
Receivable considered good and secured		-	-
Receivable considered good without security		28,516,945	39,761,375
Receivable considered doubtful or bad		-	-
Receivable due by directors or other officers		-	-
Receivable due from companies under same management		-	-
Maximum receivable due by directors or officers at any time		-	-
10.00 Interest receivable			
Interest receivable on Fixed Deposits (FDR)		14,566,055	12,464,049
		14,566,055	12,464,049
11.00 Advances, deposits and prepayments			
Advances	11.01	163,324,059	178,335,296
Deposits	11.02	11,726,591	14,997,022
Prepayments	11.03	7,956,153	5,527,375
		183,006,803	198,859,693

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
11.01 Advances			
Advance income tax	11.01.01	103,915,216	173,979,043
Advance to suppliers		8,272,475	1,154,168
The Peninsula Chittagong Airport Garden Hotel		2,160,733	2,376,465
Lankabangla securities Limited		43,561	47,267
ICB Securities Trading Company Limited		1,000	-
Advance for Supplementary Duty		151,305	197,530
VAT current account		100,241	29,157
Advance against salary		413,008	551,666
Advance to Khulna Development Authority		48,266,520	-
		163,324,059	178,335,296
11.01.01 Advance income tax			
Opening balance		173,979,043	150,036,272
Add: Paid/deducted during the year		12,984,713	23,942,771
Less: Adjusted during the year		(83,048,540)	-
Closing balance		103,915,216	173,979,043
11.02 Deposits			
Bangladesh Telecommunications Company Limited		140,000	140,000
Karnaphuli Gas Distribution Company Limited		1,069,148	1,069,148
Bangladesh Power Development Board		285,000	285,000
House rent deposit		89,000	89,000
Rainbow CNG service station		25,000	25,000
Chittagong Port Authority		5,000,000	5,000,000
Khulna Development Authority		-	8,266,520
Bangladesh Water Development Board		4,986,225	-
Shah Amanat International Airport		52,218	42,354
Chittagong WASA		80,000	80,000
		11,726,591	14,997,022
11.03 Prepayments			
Prepaid insurance		969,805	611,125
Prepaid lease rent		6,571,015	4,916,250
Prepaid rent for car parking stall		65,333	-
Prepaid expense		350,000	-
		7,956,153	5,527,375

The directors consider that all the above advances and deposits are either adjustable or recoverable in cash or in kind and for that no provision against them are required at this stage.

		30 June 2018 Taka	30 June 2017 Taka
12.00 Short term investments			
Investment in Fixed Deposit Receipts (FDR)	12.01	1,531,878	1,456,715
Investment in tradable securities at fair value	12.02	9,058,663	11,633,410
		10,590,541	13,090,125
12.01 Investment in Fixed Deposit Receipts (FDR)			
Name of banks	Purpose	Tenure	Rate of interest
AB Bank Limited	Investment	12 Months	8.50%
		1,531,878	1,456,715
		1,531,878	1,456,715
12.02 Investment in tradable securities at fair value			
Opening balance		11,633,410	9,802,530
Add/(less): Changes in fair value of tradable securities		(2,574,747)	1,830,880
Closing balance		9,058,663	11,633,410

Particulars	30 June 2018			30 June 2017
	Quantity	Fair value	Increase/ (Decrease) in Fair value	Fair value
ACI Limited	18,150	6,312,570	(2,209,680)	8,522,250
Beximco pharma Limited	15,750	1,478,925	(300,825)	1,779,750
First Security Bank Limited	4,750	56,128	(6,242)	62,370
Unique Hotel & Resort Limited	23,200	1,211,040	(58,000)	1,269,040
		9,058,663	(2,574,747)	11,633,410

Investments in tradable securities have been classified as held for trading and changes in fair value of these tradable securities has been charge to the statement of profit or loss and other comprehensive income.

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
13.00 Cash and cash equivalents			
Cash in hand		721,067	955,738
Cash at banks	13.01	27,860,292	21,079,368
Fixed Deposit Receipts	13.02	1,000,000,000	1,150,000,000
		1,028,581,359	1,172,035,106

13.01 Cash at banks	Name of the Banks	Branches	Account Type		
	AB Bank Limited	CDA Avenue	CD	1,039,570	1,043,220
	AB Bank Limited	CDA Avenue	SND	1,175,570	11,240
	AB Bank Limited	CDA Avenue	CD	150	775
	AB Bank Limited	CDA Avenue	SND	1,494,740	1,202,908
	AB Bank Limited	CDA Avenue	CD	43,761	28,562
	Bank Al-falah Limited	Agrabad	MPA	3,267,579	3,191,958
	Brac Bank Limited	Kazir Dhewri	Credit Card	172,263	357,735
	Brac Bank Limited	Kazir Dhewri	CD	697,478	631,630
	Dutch Bangla Bank Limited	Agrabad	FCY	66,853	-
	Eastern Bank Limited	Agrabad	Credit Card	229,541	-
	Eastern Bank Limited	Agrabad	FCY	200,871	230,946
	Eastern Bank Limited	Agrabad	FCY	29,655	29,267
	Eastern Bank Limited	Agrabad	FCY	5,387	5,219
	Eastern Bank Limited	Agrabad	HPA	8,182,309	12,158,144
	Eastern Bank Limited	O.R Nizam Road	STD	510,930	434,412
	Mutual Trust Bank Limited	CDA Avenue	SND	2,044,713	2,045,130
	National Bank Limited	CDA Avenue	CD	5	-
	Prime Bank Limited	O.R Nizam Road	CD	617,971	619,621
	Standard Chartered Bank	Nasirabad	CD	761	1,911
	Standard Bank Limited	CDA Avenue	CD	137,945	139,475
	The City Bank Limited	O.R Nizam Road	CD	1,752,343	2,056,312
	The City Bank Limited	O.R Nizam Road	Credit Card	429,829	495,623
	The Premier Bank Limited	O.R Nizam Road	CD	(1,338,965)	(4,667,103)
	The Premier Bank Limited	O.R Nizam Road	CD	4,173,235	-
	United Commercial Bank Limited	Jubilee Road	SND	1,482	2,581
	United Commercial Bank Limited	Kamal Bazar	SND	2,924,316	1,059,802
				27,860,292	21,079,368

All bank balances are reconciled with bank statements and negative balance shown in the bank book represent book overdraft.

13.02 Fixed Deposits Receipts (FDR)	Name of banks	Purpose	Tenure	Rate of interest	30 June 2018 Taka	30 June 2017 Taka
	The Premier Bank Limited	Investment	3 months	9.50%	1,000,000,000	1,150,000,000
					1,000,000,000	1,150,000,000

Fixed Deposits of Tk. 150,000,000 at The Premier Bank Limited, O.R. Nizam Road Branch has been kept as lien against overdraft facility provided by the same bank.

14.00 Share capital**Authorised capital:**

300,000,000 Ordinary Shares of Tk. 10 each

3,000,000,000	3,000,000,000
<u>3,000,000,000</u>	<u>3,000,000,000</u>

Issued, Subscribed and Paid-up capital:

250,000 Ordinary Shares of Tk.10 each issued in cash	2,500,000	2,500,000
9,000,000 Ordinary Shares of Tk.10 each fully paid-up as Bonus Shares	90,000,000	90,000,000
23,125,000 Ordinary Shares of Tk.10 each fully paid-up as Bonus Shares	231,250,000	231,250,000
12,950,000 Ordinary Shares of Tk.10 each fully paid-up as Bonus Shares	129,500,000	129,500,000
12,691,000 Ordinary Shares of Tk.10 each issued as Bonus Shares	126,910,000	126,910,000
55,000,000 Ordinary Shares of Tk.10 each issued in cash issued through Initial Public Offering (IPO)	550,000,000	550,000,000
5,650,800 Ordinary Shares of Tk.10 each fully paid-up as Bonus Shares	56,508,000	56,508,000
118,666,800 Ordinary Shares of Tk 10 each	<u>1,186,668,000</u>	<u>1,186,668,000</u>

14.01 Classification of shares by holding**Class by number of shares**

	<u>No. of Holders</u>	<u>No. of Shares</u>	<u>Holding (%)</u>
Less than 500	19,814	3,930,917	3.31%
From 500 to 5,000	3,765	7,227,350	6.09%
From 5,001 to 10,000	660	5,006,461	4.22%
From 10,001 to 20,000	326	4,709,871	3.97%
From 20,001 to 30,000	103	2,572,717	2.17%
From 30,001 to 40,000	63	2,227,916	1.88%
From 40,001 to 50,000	36	1,675,526	1.41%
From 50,001 to 100,000	67	4,781,761	4.03%
From 100,001 to 1,000,000	55	15,602,502	13.15%
From 1,000,001 to above	15	70,931,779	59.77%
	<u>24,904</u>	<u>118,666,800</u>	<u>100%</u>

14.02 Shareholding position

Name of shareholders	30 June 2018		30 June 2017	
	Percentage of holding	Number of shares	Percentage of holding	Number of shares
Mr. Mustafa Tahseen Arshad	12.32%	14,620,032	12.32%	14,620,032
Mrs. Bilkis Arshad	7.70%	9,137,520	7.70%	9,137,520
Engineer Mosharrif Hossain	6.62%	7,860,016	6.41%	7,610,016
Mrs. Ayesha Sultana	4.70%	5,573,344	4.36%	5,173,344
Mr. Mahboob Ur Rahman	2.57%	3,045,840	2.57%	3,045,840
Mrs. Mirka Rahman	2.57%	3,045,840	2.57%	3,045,840
Mr. Aminur Rahman	2.57%	3,045,840	2.57%	3,045,840
Institute, NRB, General Public	60.95%	72,338,368	61.50%	72,988,368
	<u>100.00%</u>	<u>118,666,800</u>	<u>100.00%</u>	<u>118,666,800</u>

15.00 Retained earnings

Opening balance
Add: Net profit after tax for the year
Less: Dividend paid

30 June 2018	30 June 2017
Taka	Taka
174,844,703	231,185,866
74,153,171	62,325,637
(59,333,400)	(118,666,800)
<u>189,664,474</u>	<u>174,844,703</u>

16.00 Revaluation surplus**16.01 Revaluation**

Revaluation of company's assets were carried out by, an independent valuer, Syful Shamsul Alam & Co., Chartered Accountants, following Estimated Net Realisable Value Method of Valuation based on the nature of the assets as on 30 April 2011 and submitted their report on 23 June 2011. Revaluation surplus has been credited to Revaluation Surplus Account and treated as per BAS and BFRS and other applicable laws, regulations and guidelines.

The board of directors agreed to discard the revaluation surplus of all assets except Land & Land Development in a board meeting held on 05 August 2012 and instructed the management to consider the proper accounting policies for it.

<u>1,228,413,842</u>	<u>1,228,413,842</u>
-----------------------------	-----------------------------

17.00 Deferred tax liabilities:

Deferred tax liability has been calculated below at the applicable tax rate on the difference between the carrying value of property, plant and equipment and intangible assets as per financial statements and tax written down value and financial position method for investment in tradable securities.

	30 June 2018 Taka	30 June 2017 Taka
Opening balance	49,495,635	35,269,336
Add: Provision made during the year	11,776,759	14,226,299
Closing balance	61,272,394	49,495,635

17.01 Reconciliation of deferred tax liabilities/ (assets)

	Carrying amount Taka	Tax base Taka	Tax rate Percentage	Taxable/ (Deductible) temporary difference Taka	Deferred tax liabilities/ (assets) Taka
Property, plant and equipment (except land)	917,912,768	672,260,297	25%	245,652,471	61,413,118
Intangible assets	1,642,262	1,777,224	25%	(134,962)	(33,741)
Investment in tradable securities	9,058,663	10,128,492	10%	(1,069,829)	(106,983)
Total deferred tax liabilities					61,272,394

18.00 Accounts payable

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
Opening balance		34,280,963	38,689,723
Add: Goods/services purchased on credit during the year		364,745,965	221,079,394
Less: Paid during the year		(351,262,443)	(225,488,154)
Closing balance		47,764,485	34,280,963

19.00 Short term borrowings

Cash credit (Hypo) and Overdraft	19.01	12,027,067	17,575,284
		12,027,067	17,575,284

19.01 Borrowings against CC (Hypo) and Overdraft

Name of the Banks	Branch	Types		
IFIC Bank Limited	Agrabad	OD	1,965,597	819,038
The Premier Bank Limited	O.R Nizam Road	OD	10,061,470	16,756,246
			12,027,067	17,575,284

20.00 Lease finance

Opening balance		583,586	1,145,482
Add: Interest and other charges during the year	28.00	48,917	141,804
Less: Paid during the year		(632,503)	(703,700)
Closing balance		-	583,586

20.01 Lease finance - Maturity analysis

Due within one year	-	583,586
Due after one year	-	-
	-	583,586

20.02 Details of lease finance

The Premier Bank Limited	-	583,586
	-	583,586

25.02 Cost of sales

Particulars	Note(s)	30 June 2018						30 June 2017	
		Room		Food & Beverage		Minor Operating Department		Rental	Total
		Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Cost of materials	-	-	73,579,129	1,825,634	-	-	75,404,763	62,038,682	
Complementary guest service	1,826,786	-	782,908	-	-	-	2,609,694	2,370,760	
Depreciation	19,338,193	-	4,820,512	1,704,301	474,149	-	26,337,155	26,938,048	
Function and amenities	-	-	2,302,297	-	-	-	2,302,297	2,569,420	
House keeping expenses	7,996,792	-	2,692,265	673,066	-	-	11,362,123	9,399,737	
Packet and packing materials	211,992	-	211,992	-	-	-	423,984	864,381	
Purchased services	515,744	-	-	-	-	-	515,744	599,797	
Repair and maintenance	25.04	3,775,475	1,348,384	215,741	53,935	-	5,393,535	5,504,358	
Salary, wages, bonus and benefits	24,451,872	-	18,672,339	1,333,739	-	-	44,457,950	42,489,128	
Staff uniform	996,303	-	664,202	184,501	-	-	1,845,006	2,060,986	
Utility and fuel expenses	13,491,049	-	1,848,089	3,141,751	-	-	18,480,889	17,417,929	
		72,604,206	106,922,117	9,078,733	528,084	189,133,140	172,253,226		

25.03 Repair and maintenance

Particulars	30 June 2018						30 June 2017	
	Opening Inventory of Stores & Spares Taka	Purchase		Closing Inventory of Stores & Spares		Expenses		
		Taka	Taka	Taka	Taka	Taka	Taka	
Building	850,000	506,670	609,126	747,544	572,316			
Machineries	-	1,685,840	441,350	1,244,490	1,078,682			
General	898,991	1,298,881	278,991	1,918,881	1,995,309			
Kitchen equipment	-	242,442	-	242,442	227,724			
Vehicles	-	879,190	80,000	799,190	862,496			
Lifts	-	132,664	-	132,664	337,536			
Computers	-	598,829	-	598,829	599,530			
Electrical goods	-	178,498	-	178,498	309,405			
	1,748,991	5,523,014	1,409,467	5,862,538	5,982,998			

25.04 Allocation of Repair and Maintenance Expense

Cost of sales	25.01	5,393,535	5,504,358
Administrative expenses	26.00	469,003	478,640
		5,862,538	5,982,998

	Note(s)	01 July 2017 to 30 June 2018 Taka	01 July 2016 to 30 June 2017 Taka
26.00 Administrative expenses			
Salaries and allowances		16,443,352	14,810,363
Director's remuneration	26.01	6,815,000	6,810,000
Annual general meeting expenses		1,303,240	1,408,367
Association and membership fees		84,200	121,750
Audit fee		345,000	345,000
Lease rental of The Peninsula Chittagong - Airport Garden Hotel		6,821,898	1,638,750
Conveyance expenses		123,060	130,711
Depreciation	4.00	6,077,805	6,216,473
Amortisation	6.01	332,432	332,433
Dhaka office expenses		1,474,870	1,515,845
Entertainment expenses		734,000	930,563
Fees and renewals		486,060	1,170,055
Gift and donation		31,675	126,000
Insurance expenses		1,234,752	2,096,005
Legal fees and other professional charges		902,575	953,400
Medical expenses		36,249	22,965
Office expenses		182,595	1,537,679
Printing and stationery		676,845	804,639
Rating fee		200,000	200,000
Regulatory fees		1,180,668	1,286,668
Rent, rate and taxes		1,750,141	1,908,181
Repair and maintenance	25.04	469,003	478,640
Staff uniform		205,000	258,821
Telephone and communication		806,181	883,423
Tours and travel expenses		867,876	571,245
Utility and fuel expenses		4,620,222	4,354,482
		54,204,699	50,912,458

26.01 Directors' Remuneration

Details of Directors' remuneration paid during the period are as follows:

Director's Name	Relationship	Remuneration Taka	Board Meeting Fee Taka	Gross Remuneration Taka
Mr. Mahboob Ur Rahman	Chairman	2,400,000	22,500	2,422,500
Mr. Mustafa Tahseen Arshad	Managing Director	4,020,000	15,000	4,035,000
Mrs. Ayesha Sultana	Director	300,000	12,500	312,500
Mrs. Bilkis Arshad	Director	-	7,500	7,500
Dr. Md. Fashiul Alam	Independent Director	-	22,500	22,500
Dr. Sheikh Md. Shafiul Azam	Independent Director	-	10,000	10,000
Mr. Kazi Sanaul Hoq	Nominated Director	-	5,000	5,000
		6,720,000	95,000	6,815,000

	Note(s)	01 July 2017 to 30 June 2018 Taka	01 July 2016 to 30 June 2017 Taka
27.00 Selling and distribution expense			
Advertisement		940,120	1,130,026
		940,120	1,130,026
28.00 Finance costs			
Interest on overdraft		4,259,264	14,431,506
Interest and other charges on lease finance	20.00	48,917	141,804
Foreign currency exchange (gain)/loss	28.01	(6,505)	(2,112)
Bank charges		2,727,321	2,090,689
		7,028,997	16,661,887
28.01 Foreign currency exchange (gain)/ loss			
Unrealized foreign currency translation (gain)/ loss		(6,505)	(2,112)
		(6,505)	(2,112)

This represents net (gain)/loss on translation of foreign currencies denominated assets/ liabilities into Bangladeshi Taka at the rate prevailing on reporting date.

	01 July 2017 to 30 June 2018 Taka	01 July 2016 to 30 June 2017 Taka
29.00 Finance income		
Interest on fixed deposit receipts	92,608,852	91,860,262
Interest on bank deposits	1,032,396	653,885
	93,641,248	92,514,147
30.00 Non-operating income / (loss)		
Dividend income on non-tradable securities	144,620	45,000
Dividend income on tradable securities	46,400	51,040
Sale of wastage	603,645	293,228
Loss on sale of property, plant and equipment	-	(490,744)
Changes in fair value of tradable securities	(2,574,747)	1,830,880
	(1,780,082)	1,729,404
31.00 Reconciliation of cash generated by operations		
Profit before income tax	99,597,482	86,851,807
Depreciation charged	32,414,960	33,154,521
Amortization charged	332,432	332,433
VAT Expenses	-	30,652,108
Loss on sale of property, plant and equipment	-	490,744
Changes in fair value of tradable securities	2,574,747	(1,830,880)
Dividend income	(191,020)	(96,040)
Finance Cost	7,028,997	16,661,887
Interest income on bank deposits	(1,032,396)	(653,885)
Interest income on Fixed Deposits (FDR)	(92,608,852)	(91,860,262)
(Increase)/ decrease in Inventory	10,121,705	(1,393,682)
(Increase)/ decrease in Accounts receivable	11,244,430	(6,789,446)
(Increase) / decrease in Advances, Deposits and Pre-payments	(54,172,733)	(7,162,305)
Increase / (decrease) in Accounts payables	13,483,522	(4,408,760)
Increase / (decrease) in provision of WPPF and WF	670,825	(3,519,160)
	29,464,099	50,429,080
32.00 Earnings per share		
32.01 Basic earnings per share (EPS)		
Profit attributable to the ordinary shareholders	74,153,171	62,325,637
Weighted Average number of shares outstanding during the year	118,666,800	118,666,800
Basic earnings per share (EPS)	0.62	0.53
33.00 Net Asset Value Per Share (NAV)		
Total Assets	3,813,370,738	3,846,366,882
Less: Liabilities	(157,666,138)	(205,482,053)
Net Asset Value (NAV)	3,655,704,600	3,640,884,829
Number of ordinary shares outstanding during the year	118,666,800	118,666,800
Net Asset Value (NAV) per share	30.81	30.68
34.00 Net operating cash flow per share		
Net operating cash flows (from statement of cash flows)	100,983,126	87,689,760
Number of ordinary shares outstanding during the year	118,666,800	118,666,800
Net operating cash flow per share	0.85	0.74
Net operating cash flows of comparative period has been reduced by Tk. 2,112 due to presenting effect of foreign exchange rate changes on cash and cash equivalents as separate line item as per para 28 of BAS 7.		
The Peninsula Chittagong Limited		
	30 June 2018	30 June 2017
35.00 Employees		
Number of employees whose monthly salary was below Tk. 3,000	-	-
Number of employees whose monthly salary was above Tk. 3,000	253	244
	253	244

During June 2018, total 219 number of employees were in the permanent payroll of the company.

36.00 Related party transactions

During the year, the company carried out a number of transactions with related party in the normal course of business and on arms length basis. The name of the related party, nature of transactions and balances on reporting date have been set in accordance with the provisions of BAS 24.

Related party comprises of company under common ownership and common management control.

Name of party	Relationship	Nature of Transactions	Outstanding as on 30 June 2018	Mode of Transaction
Sayeman Beach Resort Limited	Common Directorship	Revenue	3,881,440 Dr.	Market price /Negotiated price

37.00 Service rendering capacity and current utilization

Description	01 July 2017 to 30 June 2018			01 July 2016 to 30 June 2017		
	Capacity (Room per year)	Utilization during the year	Utilization (%)	Capacity (Room per year)	Utilization during the year	Utilization (%)
Guest Room	52,560	27,580	52.47%	52,560	28,182	53.62%

38.00 Attendance status of Directors in Board Meetings

During the year ended 30 June 2018, nine (09) board meetings were held. The attendance status of all the meetings are as follows:

Name of the Director	Position	Meetings Held	Attendance
Mr. Mahboob Ur Rahman	Chairman	09	09
Mr. Mustafa Tahseen Arshad	Managing Director	09	06
Mrs. Ayesha Sultana	Director	09	05
Mrs. Bilkis Arshad	Director	09	03
Dr. Md. Fashiul Alam	Independent Director	09	09
Dr. Sheikh Md. Shafiul Azam	Independent Director	09	04
Mr. Kazi Sanaul Hoq	Nominated Director	09	02

39.00 Contingent liabilities and Commitments

39.01 Contingencies

A writ petition (no. 8924 of 2014) was filed before the High Court Division (HCD) of the Honorable Supreme Court of Bangladesh (SCB) challenging the order dated 25 August 2014 (issued on 03 September 2014) passed by the Customs, Excise and VAT Appellate Tribunal in file no. CEVT.Case(VAT)-74/2014 demanding payment of Tk. 137,466,731. While filing the writ petition the company had to deposit Tk. 13,746,673 with government treasury being 10% of the demand amount. The Honorable HCD after hearing the case referred back to the Commissioner of VAT for a negotiated settlement with the company. Subsequently the Commissioner of VAT has settled the claim at Tk. 30,652,108 vide order no: 83/2016 on 08 September 2016 under section 55(3) of Value added tax law 1991. The claim amount has duly been paid and charged in the profit or loss during at the year ended on 30 June 2017.

39.02 Capital expenditure commitment

The company has no capital expenditure commitment at the reporting date.

39.03 Directors' interest in contracts with the company

There was no transaction resulting in Directors' interest with the company and no leasing facilities have been made available to the Directors.

39.04 Segment reporting

As there is a single business and geographic segment within which the company operates no segment reporting is felt necessary.

39.05 Credit facility not availed

There was no credit facility available to the company under any contract, but not availed as on 30 June 2018 other than trade credit available in the ordinary course of business.

40.00 Events after reporting period

The Board of Directors at the meeting held on 06 September 2018 has recommended 05% cash dividend for the year ended 30 June 2018.

41.00 Financial Instruments- Accounting classifications and fair values

The following table shows the carrying amounts of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value.

	Note ref.	Carrying amount						Total
		Fair value through profit or loss	Held to maturity	Loans and receivables	Available for sale	Other financial liabilities	Total	
		Taka	Taka	Taka	Taka	Taka	Taka	
30 June 2018								
Financial assets measured at fair value								
Investment in tradable securities at fair value	12.02	9,058,663	-	-	-	-	-	9,058,663
Financial assets not measured at fair value								
Investments in non-tradable shares at cost	7.01	-	-	-	6,125,000	-	-	6,125,000
Accounts and other receivables	9 & 10	-	-	43,083,000	-	-	-	43,083,000
Deposits	11.02	-	-	11,726,591	-	-	-	11,726,591
Investments in FDRs	12.01 & 13.02	-	-	-	1,001,531,878	-	-	1,001,531,878
Cash at banks	13.01	-	-	27,860,292	-	-	-	27,860,292
				82,669,883	1,007,656,878	-	-	1,090,326,761
Financial liabilities not measured at fair value								
Lease finance	20	-	-	-	-	-	-	-
Accounts payables	18	-	-	-	-	47,764,485	-	47,764,485
Short term borrowings	19	-	-	-	-	12,027,067	-	12,027,067
						59,791,552		59,791,552
30 June 2017								
Financial assets measured at fair value								
Investment in tradable securities at fair value	12.02	11,633,410	-	-	-	-	-	11,633,410
Financial assets not measured at fair value								
Investments in non-tradable shares at cost	7.01	-	-	-	6,125,000	-	-	6,125,000
Accounts and other receivables	9 & 10	-	-	52,225,424	-	-	-	52,225,424
Deposits	11.02	-	-	14,997,022	-	-	-	14,997,022
Investments in FDRs	12.01 & 13.02	-	-	-	1,151,456,715	-	-	1,151,456,715
Cash at banks	13.01	-	-	21,079,368	-	-	-	21,079,368
				88,301,814	1,157,581,715	-	-	1,245,883,529
Financial liabilities not measured at fair value								
Lease finance	20	-	-	-	-	583,586	-	583,586
Accounts payables	18	-	-	-	-	34,280,963	-	34,280,963
Short term borrowings	19	-	-	-	-	17,575,284	-	17,575,284
						52,439,833		52,439,833

42.00 Financial instruments- Financial risk management

Bangladesh Financial Reporting Standard BFRS 7 - Financial Instruments: Disclosures - requires disclosure of information relating to both recognized and unrecognized financial instruments, their significance and performance, accounting policies, terms and conditions, net fair values and risk information- the company's policies for controlling risks and exposures.

The management has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. This note presents information about the company's exposure to each of the following risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital. The company has exposure to the following risks from its use of financial instruments.

- a) Credit risk
- b) Liquidity risk
- c) Market risk

42.01 Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations which arises principally from the Company's receivables and investments.

42.01.01 Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note(s)	30 June 2018 Taka	30 June 2017 Taka
Investments in FDRs	12.01 & 13.02	1,001,531,878	1,151,456,715
Advances and deposits	11.01 & 11.02	175,050,650	193,332,318
Accounts and other receivables	9 & 10	43,083,000	52,225,424
Cash at banks	13.01	27,860,292	21,079,368
		1,247,525,820	1,418,093,825

(i) Accounts receivable

The company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry in which customers operate.

Ageing of accounts receivable

The ageing of gross value at the reporting date that was not impaired was as follows:

	30 June 2018 Taka	30 June 2017 Taka
Dues within 6 Months	22,262,107	36,440,553
Dues over 6 months	6,254,838	3,320,822
	28,516,945	39,761,375

The management believes that the amounts are collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

(ii) Cash at banks

The company held cash at banks of Tk. 27,860,292 at 30 June 2018 (30 June 2017: Tk. 21,079,368), which represents its maximum credit exposure on these assets. The balance with banks are maintained with both local branch of International banks and domestic scheduled banks.

42.01.02 Impairment losses

Impairment loss at the reporting date

	30 June 2018 Taka	30 June 2017 Taka
	Nil	Nil
	-	-

42.01.03 Credit exposure by credit rating

	As at 30 June 2018		
	Credit rating	Amount	(%)
Accounts receivable	NR	28,516,945	11.20%
Other receivables	NR	14,566,055	5.72%
Advances, deposits and prepayment	NR	183,006,803	71.86%
Cash and cash equivalents			
Cash in hand		721,067	0.28%
Cash at banks		27,860,292	10.94%
AB Bank Limited	A1	3,753,791	13.47%
Bank Al Falah Limited	AA	3,267,579	11.73%
Brac Bank Limited	AA1	869,741	3.12%
Eastern Bank Limited	AA+	8,929,152	32.05%
Mutual Trust Bank Limited	AA	2,044,713	7.34%
Prime Bank Limited	AA2	617,971	2.22%
Standard Chartered Bank	AAA	761	0.00%
Standard Bank Limited	AA	137,945	0.50%
The City Bank Limited	AA2	2,182,172	7.83%
The Premier Bank Limited	AA+	(1,338,965)	-4.81%
United Commercial Bank Limited	AA	2,925,798	10.50%

All bank balances are reconciled with bank statements and negative balance shown in the bank book representation book overdraft.

42.02 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities:

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			
			Within 12 months	1 to 5 years	More than 5 years	Total
As at 30 June 2018	Taka		Taka	Taka	Taka	Taka
Accounts payable	47,764,485	N/A	47,764,485	-	-	47,764,485
Short term borrowings	12,027,067	8%-12%	12,027,067	-	-	12,027,067
Unclaimed dividend	7,392,796	N/A	7,392,796	-	-	7,392,796
	67,184,348		67,184,348	-	-	67,184,348

Non-derivative financial liabilities	Carrying amount	Interest rate	Contractual cash flows			
			Within 12 months	1 to 5 years	More than 5 years	Total
As at 30 June 2017	Taka		Taka	Taka	Taka	Taka
Lease finance	583,586	15%	583,586	-	-	583,586
Accounts payable	34,280,963	N/A	34,280,963	-	-	34,280,963
Short term borrowings	17,575,284	8.25%-11%	17,575,284	-	-	17,575,284
Unclaimed dividend	5,627,026	N/A	5,627,026	-	-	5,627,026
	58,066,859		58,066,859	-	-	58,066,859

42.03 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(a) Currency risk exposure and its management

The company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currencies of the company. To manage this exposure, the company is adapted direct risk reduction methods based on matching receipts and payments on assets and liabilities.

The Company is only exposed to in foreign currency risk relating to Tk. 229,409 in its Foreign Currency Account relating IPO applications.

(b) Transaction risk

Transaction risk is the risk that the company will incur exchange losses when the accounting results are translated into the home currency.

(c) Economic risk

Economic risk refers to the effect of exchange rate movements on the international competitiveness of the company.

(d) Interest risk

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to re-pay debts as they fall due and to minimize the risks surrounding interest payments and receipts.

Exposure to interest rate risk

The interest rate profile of the company's interest-bearing financial instruments as reported to the management of the company is as follows.

	30 June 2018 Taka	30 June 2017 Taka
Fixed- rate instruments		
Financial assets	1,001,531,878	1,151,456,715
Financial liabilities	12,027,067	18,158,870
	1,013,558,945	1,169,615,585
Variable- rate instruments		
Financial assets	Nil	Nil
Financial liabilities	Nil	Nil
	-	-

(e) Other market price risk

The company is exposed to equity price risk, which arises from available for sale equity securities. Management of the company monitors its investment portfolio based on market indices and all buy and sell decisions are approved by the Directors.



Company Secretary



Managing Director



Director



Chairman

PHOTO Gallery of 15th AGM



Laguna
Restaurant

SCRUMPTIOUS BUFFET GALORE!

WITH MORE THAN 100 MULTI CUISINE ITEMS!



The Peninsula Chittagong
(Best Business Hotel in Town)

FOR MORE INFORMATION
+880 17 5555 4552

**TGCS APPLY



The Peninsula Chittagong
(Best Business Hotel in Town)



BBQ by the pool with your family and friends
Sounds like a Perfect Evening!
Enjoy our scrumptious BBQ extravaganza
from the top of **The Peninsula Chittagong**.
The Best View in Town.



CLUB 21  **& Indian**
Restaurant

The Best Business Hotel

At the heart of port city, Chittagong.
With a spectacular view of the growing city
enjoy a lavish experience with sophistication
of purity. Discover excellence
in service on every step of the way
with The Peninsula Chittagong.



THE PENINSULA CHITTAGONG LIMITED

REGISTERED & SHARE OFFICE

The Peninsula Chittagong Limited
Bulbul Center, 486/B, O.R. Nizam Road
CDA Avenue, Chittagong-4100
Tel: +88 031 2850860-9
Fax : +88 031 632506
E-mail: lpoinfo@peninsulactg.com



The Peninsula Chittagong
(Best Business Hotel in Town)

DHAKA OFFICE

The Peninsula Chittagong Limited
8A, Chandrashila Suvastu Tower
69/1 Green Road, Panthapath
Dhaka-1205
Tel: +88 02 9641311-13